

MOTOR VEHICLE FLEET INSURANCE

PRODUCT DISCLOSURE STATEMENT AND POLICY

Preparation date: 12/05/2004

Insurer:

CGU Insurance Limited
ABN 27 004 478 371
AFS Licence No. 238291



This is an important document. If you cannot read and understand English, please use an interpreter to explain it to you before entering into this contract of insurance.

Questo è un documento importante. Se non avete una buona conoscenza dell'Inglese, per favore fatevelo spiegare da un interprete prima di concludere un contratto di assicurazione.

Αυτό είναι πολύ σπουδαίο έγγραφο. Αν έχετε δυσκολία με τα Αγγλικά, παρακαλείστε να μεταχειρισθείτε διερμηνέα να σας το εξηγήσει προτού συνάψετε μια ασφαλιστική συμφωνία.

這是一份重要文件。如你不諳英語，在投保前，請先用傳譯員為你解釋保險合約。

ان هذه الوثيقة هامة. إذا كنت لا تجيد الإنكليزية، يرجى استعمال مترجم كي يشرحها لك قبل أن تدخل طرفاً في عقد تأمين.

Dies ist ein wichtiges Dokument. Falls Sie die englische Sprache nicht beherrschen, lassen Sie es sich von einem Dolmetscher erklären, bevor Sie einen Versicherungsvertrag eingehen.

Đây là một văn kiện quan trọng. Nếu quý vị không thông thạo tiếng Anh, xin vui lòng nhờ thông dịch viên giải thích để quý vị hiểu rõ trước khi ký tên vào hợp đồng bảo hiểm.

Este es un documento importante. Si Ud. No tiene conocimientos sólidos de inglés, pida a un intérprete que le explique el documento antes de contratar el seguro.

នេះគឺជាឯកសារមួយដែលមានសារៈសំខាន់ ។ ប្រសិនបើអ្នកពុំសូវចេះភាសាអង់គ្លេសច្បាស់លាស់ទេ សូមស្នើសុំអ្នកបកប្រែភាសាឲ្យពន្យល់ប្រាប់អ្នកមុនពេលអ្នកយល់ព្រមចុះកិច្ចព្រមព្រៀងធានារ៉ាប់រងណាមួយ ។

Welcome To The Security Of CGU Insurance



**THIS BOOKLET
IS IMPORTANT**

Product Disclosure Statement

This Product Disclosure Statement (PDS) contains important information required under the Financial Services Reform Act 2001.

To assist you to locate specific items in the policy wording, a table of contents is provided on page 5 of the Motor Vehicle Fleet Insurance policy.

Introduction

Who is the insurer

CGU Insurance Limited is the insurer of the insurance policy. Our Australian Business Number is 27 004 478 371. Our Australian Financial Services Licence Number is 238291. In the policy, the insurer is called the 'Company'. In this PDS, the insurer is called 'we', 'us' or 'our'.

How to contact us

You may contact us in any of the following ways:

- In person at any CGU Insurance office.
- By telephone on 13 15 32.
- By writing to us at CGU Insurance, GPO Box 9902 in your capital city.
- By email on our website www.cgu.com.au.

The purpose of this PDS

This PDS has been prepared to assist you in understanding the insurance policy and making an informed choice about your insurance requirements. This PDS sets out the significant features of the insurance policy including its benefits, risks and information about how the insurance premium is calculated. You still need to read the policy wording, which commences on page 4, the policy schedule, and any endorsements applicable to your policy, for a full description of the terms, conditions and limitations of the insurance policy.

General Insurance Code of Practice

CGU Insurance proudly supports the General Insurance Code of Practice. The purpose of the Code is to raise the standards of practice and service in the general insurance industry.

The Code aims to improve:

- the quality, comprehension and accuracy of policy documents and other information provided to consumers;
- employee and representative training and supervision;
- claims handling and dispute resolution.

Brochures on the Code are available from your nearest CGU Insurance office.

Your cooling-off period

We will refund all premium paid for cover under the insurance policy if you request cancellation of the insurance policy within 21 days of its commencement. To do this, you must advise us in writing and return the schedule to your nearest CGU Insurance office. You will not receive a refund if you have made a claim under the insurance policy. We aim to give you the highest possible standard of service, treating you fairly and honestly at all times.

What to do if you have a dispute

If you have a concern with the insurance policy, our service, the service of our authorised representatives, loss adjusters or investigators, or our decision on your claim, please contact your nearest CGU Insurance office where our staff will help you in any way they can. If they are unable to satisfy you, they will refer the matter to the appropriate manager who will immediately deal with the matter. If the manager cannot resolve the matter, the manager will escalate the matter to our internal dispute resolution staff.

Our internal dispute resolution staff will review the matter and will try to reach a satisfactory outcome. Once their review has been completed, they will advise you of our final decision within 15 working days. If they need longer, they will contact you and explain the reasons why. Our internal dispute resolution process is a free service to you.

If you do not agree with our final decision, the matter may be reviewed through the Insurance Ombudsman Service. The scheme is administered by Insurance Ombudsman Service Limited ABN 23 062 284 888.

The scheme is an external body that is independent of this Company. It will investigate the matter and make its decision at no cost to you.

Access to the Insurance Ombudsman Service is not available to you if your staff numbers or business turnover exceeds the jurisdictional limits of the Insurance Ombudsman Service Limited's Terms of Reference. We can advise you of these limits or they can be confirmed by calling the Insurance Ombudsman Service Limited on 1300 78 08 08.

Brochures outlining our internal dispute resolution process are available from your nearest CGU Insurance office.

Your privacy

We treat your personal information with care. We will not release your personal information to anyone else other than another insurer, an insurance reference service or as permitted or required by law. In the event of a claim, we may disclose information to and/or collect additional information about you from investigators or legal advisers.

We collect personal information from you for the purpose of providing you with insurance products and services, and processing and assessing claims.

You can choose not to provide this information, however, we may not be able to process your requests.

If you wish to update or access the information we hold about you, contact us.

Your duty of disclosure

We rely upon the information you provide to us when you apply for insurance, and when you renew, change or reinstate your policy. You must tell us anything that you know, or should know, that could affect our decision to insure you and/or the terms on which we insure you.

Details about disclosure of information are shown in the policy wording under 'Your Duty of Disclosure' on page 4 and 'Non-Disclosure' on page 4.

How to apply for insurance

Complete our application form. If we accept your application for insurance, you will receive a schedule that sets out details of the insurance you have taken out. Details about acceptance are shown in the policy wording under 'Acceptance of the Application' on page 4.

How to make a claim

To make a claim, please contact your nearest CGU Insurance office, or call 13 15 32 when something happens that you believe you can claim for. Details about making a claim are shown in the policy wording under 'Claims' on page 4, and 'General Conditions 4 - Claims Procedure' on page 9.

Taxation information

CGU Insurance shows all taxes and charges as separate items on all schedules (e.g. stamp duty and the Goods and Services Tax). Where we make a payment under this policy for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any input tax credit that you are, or will be, or would have been entitled to under A New Tax System (Goods and Services Tax) Act 1999 in relation to that acquisition, whether or not that acquisition is actually made.

Significant features and benefits

You have a choice of three levels of cover to select from.

Cover options	Description of cover provided
Composite	<ul style="list-style-type: none">• Cover for loss or damage to your vehicle.• Cover for your legal liability for loss or damage to another person's property.
Fire, Theft & Third Party	<ul style="list-style-type: none">• Cover for your vehicle for loss or damage by:<ul style="list-style-type: none">• Fire, lightning or thunderbolt.• Theft or attempted theft.• Cover for your legal liability for loss or damage to another person's property.

Third Party Only	<ul style="list-style-type: none"> • Cover for your legal liability for loss or damage to another person's property.
------------------	---

With each cover option selected, a range of benefits is included. These benefits are shown in the policy wording under 'Description of Use' on page 7, 'Type of Cover' on page 8, 'Substitute Vehicle' on page 8, 'Special Clauses' on pages 8 and 9, 'Section 1- Loss of or Damage to Insured Vehicle' on page 12, 'Section 1- Additional Benefits' on page 12, 'Section 2-Third Party Liability' on page 13, and 'Section 2- Additional Benefits' on pages 13 and 14.

You still need to read the policy wording, which commences on page 4, the policy schedule, and any endorsements applicable to your policy, for a full description of the benefits and features of the insurance policy.

Exclusions

Our insurance is designed to provide protection for you in the event of something happening which has been insured against.

Under some circumstances, this policy will not provide any insurance cover to you. For example, loss or damage caused by the operation of law arising from any breach of contract, agreement or obligation. In the policy wording we state when cover is not provided under 'Liability assumed under Agreement' on page 4, 'General Exclusions' on pages 10 and 11, 'Section 1- Exclusions' on page 12, and 'Section 2- Exclusions' on page 14'.

There are things that you must do in order for your insurance cover to apply. For example, you must pay the premium. In the policy wording we show what you need to do under 'General Conditions' on pages 9 and 10.

You still need to read the policy wording, which commences on page 4, the policy schedule, and any endorsements applicable to your policy, for a full description of the exclusions applicable to the insurance policy.

Significant risks

Disclosure

You have certain disclosure obligations that you need to comply with. Failure to comply with these obligations may have consequences in terms of both your insurance cover or in the event that you make a claim. Your disclosure obligations and

the consequences of not complying with these obligations are outlined in the policy wording under 'Your Duty of Disclosure' on page 4 and 'Non-Disclosure' on page 4.

Excesses

If you make a claim under the policy, you may be required to pay one or more excesses. The descriptions of these excesses and the circumstances in which they are applied are shown in the policy wording under 'Excess' on pages 4 and 8 and the amount of excess, applying to each vehicle, as shown on your schedule.

We take into consideration a number of factors in setting the amount of your excess.

These include factors relating to the make, model and type of vehicle being insured including modifications made to the vehicle, the age and driving experience of people who will be driving the vehicle, where and how the vehicle is used, the type of loss covered, the place where your vehicle is garaged, and your previous insurance and claims history. At the time of your enquiry or application for insurance, the amount of each excess will be advised to you.

Endorsements

We may alter the terms, conditions, limitations, benefits and exclusions of the policy by endorsements. You need to read the policy wording, which commences on page 4, the policy schedule, and any endorsements applicable to your policy, for a full appreciation of the effect these endorsements have on the insurance policy.

Costs

The premium payable by you will be shown on your schedule.

The key factors that influence the premium calculation are reflected in the questions asked, and information sought at the time of your enquiry or application for vehicle insurance. These include factors relating to the make, model and type of vehicle being insured including modifications made to the vehicle, the age and driving experience of people who will be driving the vehicle, where and how the vehicle is used, the type of loss covered, the place where your vehicle is garaged, and your previous insurance and claims history.

Premiums are subject to Commonwealth and state taxes and/or charges. These include the Goods and Services Tax and stamp duty. The amount of these taxes and/or charges will be shown on your schedule.



EXTRACT FROM THE INSURANCE CONTRACTS ACT 1984

Under the terms of the Act We must advise
You about the following:

Your Duty of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty, under the *Insurance Contracts Act 1984*, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have that same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of matter:

- that diminishes the risk to be undertaken by the insurer;
- that is of common knowledge;
- that your insurer knows, or in the ordinary course of its business, ought to know;
- as to which compliance with your duty is waived by the insurer.

Non-Disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract.

If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.



IMPORTANT NOTICES

1. Claims

The Policy does not provide cover in relation to events that occurred before the contract was entered into.

2. Excess

An excess is the sum of money we will not pay in respect of a claim. The Schedule and Policy detail the excesses which may be applicable.

3. Liability assumed under Agreement

Liability cover provided by this Policy does not cover liability which you have agreed to accept unless you would have been so liable in the absence of such agreement.

4. Injury Extension

The liability cover provided under Section 2 Additional Benefit 3 in respect of liability arising from death or bodily injury for which indemnity is not provided by insurance required by legislation or a statutory indemnity afforded by virtue of legislation, excludes claims by members of your family, persons ordinarily residing with you or persons in your employ.

5. Acceptance of the Application

This insurance will not be in force until the completed Application has been received and the risk accepted by the Company. The Company reserves the right to decline any application subject to the provisions of the *Insurance Contracts Act 1984*.

Table of Contents

General

Definitions	7
Description of Use	7
Type of Cover	8
Substitute Vehicle	8
Excess	8
Special Clauses	8
General Conditions	9
General Exclusions	10

Section 1 Loss of or Damage to Insured Vehicle 12

Additional Benefits	12
Exclusions	12

Section 2 Third Party Liability 13

Additional Benefits	13
Exclusions	14



MOTOR VEHICLE FLEET INSURANCE

Our Agreement

The Policy wording, Schedule (which expression includes any Schedule substituted for the original Schedule) and Endorsements (if any) are to be read together and any word or expression to which a specific meaning has been given in any part bears that meaning wherever it appears.

The Insured named in the Schedule having paid or agreed to pay the Company the premium, the Company agrees, subject to the terms, exclusions, limitations and conditions contained in or endorsed on or otherwise expressed in the Policy, to provide insurance in the manner and to the extent herein described during the Period of Insurance stated in the Schedule, or any subsequent period in respect of which payment of the premium or a promise to pay the premium is made to and accepted by the Company, but:

1. the insurance applies only in respect of those items against which a Sum Insured is shown in the Schedule or which are otherwise indicated in the Schedule as being operative, and is subject to the Endorsements shown in the Schedule;
2. the Sum Insured under any item is as shown in the Schedule unless otherwise expressed in the Policy;
3. the Company will not be liable under the Policy unless the event giving rise to the claim occurs during the Period of Insurance or any renewal thereof; and
4. where the insurance is varied or extended by any Additional Benefit or Special Clause or Endorsement the insurance provided by such Additional Benefit or Special Clause or Endorsement is subject to the terms, exclusions and conditions of the Policy in so far as they apply.



GENERAL

Definitions

1. **Dangerous Goods**—means the substances and items classified as explosives in the Australian Code for the Transport of Explosives by Road and Rail and the substances and items classified as dangerous goods in the Australian Code for the Transport of Dangerous Goods by Road and Rail. This includes explosives, gases, flammable liquids, flammable solids, oxidising agents, poisonous or infectious substances, corrosives and radioactive substances.
2. **Driver** — means the Insured or any person with the Insured’s permission driving, using or in charge of the Insured Vehicle or Substitute Vehicle.
3. **Family** — means a spouse (de jure or de facto); a parent; a sibling; a child; a parent, sibling or child of a spouse (de jure or de facto).
4. **Insured** — means the person(s), company(ies) or firm(s) named as the Insured in the Schedule of this Policy and subsidiary companies, only if also named in the Schedule.
5. **Insured Vehicle** — means:
 - (a) (1) a registered mechanically propelled vehicle or cycle; or
 - (2) a trailer or caravan,
designed for use only on land and including, while in it or attached to it, its:
 - (3) standard tools;
 - (4) options and accessories but not tarpaulins, gates and chains unless specified in the Schedule;
 - (5) artwork or sign-writing, and its built-in;
 - (6) radio receiver, sound system, citizen’s band radio, telephone, theft alarm, monitoring device, tachograph, air conditioner,

which:

- (b) (1) belongs to the Insured; or
- (2) is in the custody or control of the Insured,

and for which the Insured is liable,

but:

- (c) excluding a vehicle, cycle, trailer or caravan:

- (1) hired by the Insured;
- (2) leased or hired out by the Insured;
- (3) belonging to an employee of the Insured,

unless so specified in the Schedule.

6. **Loading or Unloading** a vehicle — means the single action in which the weight of the goods (or of the particular portion of a consignment of goods) is transferred onto or from the vehicle.
7. **Substitute Vehicle** — means a vehicle not owned by the Insured which is similar to the Insured Vehicle it replaces.
8. **Transport in Bulk** — means, in relation to the transport of Dangerous Goods, the transport of Dangerous Goods:
 - (a) in the form of a gas in a container having a capacity exceeding 500 litres;
 - (b) in the form of a liquid or paste in a container having a capacity exceeding 250 litres;
 - (c) in the form of a solid in an undivided quantity exceeding 400 kilograms.
9. **Use as a Working Tool** — means use of a vehicle or trailer or any plant or attachments to such vehicle or trailer for excavating, digging, grading, drilling, lifting, pumping, spraying, vacuuming and the like. It does not include use for loading or unloading the vehicle or transit to or from or within a work site, or use for transport or haulage.

Description of Use

All cover provided by this Policy operates only whilst the Insured Vehicle or Substitute Vehicle, as the case may be, is being used within Australia for social, domestic or pleasure purposes or in connection with the Insured’s business or occupation as stated in the Schedule, or whilst being transported between places within Australia.

Type of Cover

Where the Type of Cover indicated in the Schedule is:

1. Composite — Sections 1 and 2 of this Policy will operate;
2. Third Party Only — Section 1 of this Policy will not operate and Section 2 will operate;
3. Fire, Theft and Third Party — Section 1 of this Policy including Additional Benefits will operate only in respect of physical loss or destruction of or damage to the Insured Vehicle caused by:
 - (a) fire, lightning or thunderbolt;
 - (b) theft or attempted theft,and Section 2 will operate in full.

Substitute Vehicle

All cover provided by this Policy in respect of the use of a Substitute Vehicle will operate only if:

1. the Insured Vehicle replaced by the Substitute Vehicle has broken down or is being repaired or serviced; and
2. not more than one Substitute Vehicle is being used at any one time in respect of each such Insured Vehicle.

Excess

1. In respect of each and every claim made on this Policy the Insured will bear the amount shown in the Schedule as the Excess.
2. The Excess applicable to a Substitute Vehicle will be the same as the Excess applying to the Insured Vehicle it replaces.
3. When the Insured Vehicle or Substitute Vehicle is being driven by:
 - (a) a person under the age of 25 years, the Insured will also bear the amount shown in the Schedule as the Age Excess applicable to that person's age group;
 - (b) a person over the age of 25 years who has not held a driving licence for the class of vehicle being driven for the preceding two years, the Insured will also bear the amount shown in the Schedule as the Inexperienced Drivers Excess.
4. The Excess and, if applicable, the Age Excess or Inexperienced Drivers Excess will be applied separately in respect of:

- (a) each and every Insured Vehicle or Substitute Vehicle involved in any one event giving rise to a claim; and
 - (b) each and every event giving rise to loss or destruction or damage to the Insured Vehicle for which a claim is, or claims are, made under Section 1 of this Policy.
5. The Insured will be entirely responsible for the settlement of any claim where the amount of the claim is less than the amount of the Excess and, if applicable, the Age Excess or Inexperienced Drivers Excess.
 6. The Age Excess or Inexperienced Drivers Excess will not apply to a claim which is only for breakage of a windscreen or other glass which is part of the Insured Vehicle.

Special Clauses

1. Automatic Reinstatement

A claim under this Policy, other than a claim under Section 1 for actual or constructive total loss, will not reduce the amount of indemnity available.

2. Automatic Inclusion Extension

The insurance extends to indemnify the Insured in respect of any registered vehicle, trailer, caravan or motor cycle in which the Insured acquires an interest during the Period of Insurance from the time such interest is acquired, subject to the terms and conditions applicable to other Insured Vehicles, but this extension will not apply to any vehicle, trailer, caravan, motor cycle or combination of vehicle and trailer or caravan:

- (a) with an estimated market value of \$75,000 or more; or
 - (b) having a maker's carrying capacity of 10 tonne or more,
- without the prior approval of the Company.

3. Acquired Companies

Subject to the provisions of the Automatic Inclusion Extension, the insurance provided by this Policy extends to include any company or firm which is formed or acquired by the Insured during the Period of Insurance, but only if:

- (a) the Insured holds a controlling interest in such company or firm;
- (b) the Insured advises the Company in writing of its interest in such company or firm not later than 30 days from the date of such formation or acquisition; and

(c) where by the formation or acquisition of such company or firm the total number of vehicles at risk is increased by more than 10% from the number declared at the inception of the Period of Insurance, the Insured declares to the Company within 60 days of formation or acquisition of such company or firm, the number of additional vehicles to be insured and pays such additional premium as may be required.

4. Premium Adjustment

Where the premium for the relevant Period of Insurance is calculated on the number of Insured Vehicles, the Insured at the end of such Period of Insurance will declare to the Company in writing the number at risk. Where the number so declared differs from the number at risk at the commencement of the Period, the Insured will pay or receive, as the case may be, an adjustment of premium based on 50% of the flat rate premium per Insured Vehicle on the difference between the number so declared and the number at risk at the commencement of such Period. Where details of Insured Vehicles are provided in the Schedule at the commencement of the Period of Insurance, the Insured must, at the end of such Period, update in the form required by the Company the details of Insured Vehicles at risk.

General Conditions

1. Duty of the Insured

The liability of the Company is conditional upon:

- (a) payment of the premium;
- (b) the notification as soon as possible by the Insured to the Company of any change materially varying any of the facts or circumstances existing at the commencement of this Policy; and
- (c) the observance of the terms of the Policy by the Insured and by any other person claiming indemnity under this Policy.

2. Cancellation

- (a) A policy against which a claim for actual or constructive total loss of all insured property is paid or payable is fulfilled by performance and there will be no refund of premium.

(b) The Company may cancel this Policy or any section by giving the Insured written notice to that effect where the Insured has:

- (1) failed to comply with the duty of utmost good faith;
- (2) failed to comply with the duty of disclosure at the time when the Policy was entered into or renewed;
- (3) failed to comply with a provision of the Policy;
- (4) failed to pay the premium;
- (5) made a fraudulent claim under this Policy or any other policy of insurance (whether with the Company or another insurer) that provided cover during any part of the period during which this Policy provides cover; or
- (6) failed to notify the Company of any specific act or omission where such notification is required under the terms of this policy of insurance.

(c) Method of Cancellation

- (1) The Insured may cancel this Policy by notifying the Company in writing.
- (2) Subject to the provisions of the *Insurance Contracts Act 1984* the Company may cancel this Policy by giving notice in writing to the Insured of the date from which cancellation is to take effect.

(d) Adjustment of Premium

Upon cancellation and following adjustment in accordance with Special Clause 4, the Company will retain or be entitled to a pro-rata premium for the period during which this Policy has been in force, or the Insured will be entitled to a pro-rata refund of the premium, as the case may be.

3. Transfer of Interest

No interest in this Policy can be transferred without the written consent of the Company.

4. Claims Procedure

- (a) The Insured or its legal representative must provide full details, in writing, as soon as possible after the occurrence of any accident or event which may become the subject of a claim under this Policy. Any communication from other parties, Writ or Summons, notice of impending prosecution or details of any inquest or

fatal accident enquiry must be advised to the Company within 72 hours of receipt by the Insured or service upon the Insured.

- (b) Subject to the provisions of the *Insurance Contracts Act 1984*, the Insured or any person making a claim under this Policy must not make any admission of liability or payment or promise or offer of payment in connection with any such claim without the written consent of the Company.
- (c) The Insured must not, without the prior consent of the Company, authorise repairs to the Insured Vehicle which are the subject of a claim under this Policy.

5. **Company Rights of Conduct and Recovery**

The Company will have full discretion in the conduct, defence or settlement of any claim. Subject to the provisions of the *Insurance Contracts Act 1984*, the Company has the right to recover or obtain contribution from any person against whom the Insured may be able to claim and the right to take action in the Insured's name. The Insured and any person entitled to indemnity under this Policy must not prejudice these rights and must give all such information and cooperation as the Company may require.

General Exclusions

The Company will not be liable to make payment in respect of:

1. any destruction, loss, damage, theft, fire or liability caused, sustained or incurred when the Driver was not authorised to drive the Insured Vehicle or Substitute Vehicle under the law in force in the State or Territory in which the Insured Vehicle or Substitute Vehicle was being driven and the Insured knew or should reasonably have known at the time that the Driver was not duly authorised;
2. any destruction, loss, damage, theft, fire or liability caused, sustained or incurred when:
 - (a) the Driver was under the influence of any drug or of intoxicating liquor;
 - (b) the percentage, level or concentration of alcohol in the Driver's blood as indicated by analysis of breath or blood was equal to or more than the percentage, level or concentration for the Driver as prescribed by law in the State or Territory in which the Driver was driving or in charge of the Insured Vehicle or Substitute Vehicle; or

- (c) the Driver refused to undergo a test measuring the concentration in the blood of alcohol or any other drug at or around the time of or in connection with the accident or loss which is the subject of the Insured's claim under the Policy,

provided that:

- (d) where the Driver is convicted or found guilty by a Court under any law of any offence relating to any of the matters referred to in General Exclusion 2.(a), (b) or (c) a certified copy of any conviction or order or decision of a Court shall be conclusive evidence of the Driver so driving or being in charge of the Insured Vehicle or Substitute Vehicle or refusing such a test;
- (e) where by analysis of the Driver's breath or blood a blood alcohol reading equal to or more than the percentage, level or concentration for the Driver as prescribed by law in the State or Territory in which the Driver was driving or in charge of the Insured Vehicle or Substitute Vehicle is taken within two hours of an accident which gives rise to a claim, or where the Driver refuses to undergo any test which is required under any legislation to determine the level of alcohol or drugs in the blood, a presumption will arise that any or all of General Exclusion 2.(a), (b) and (c) apply,

but General Exclusion 2 shall not operate to deny indemnity to anyone otherwise entitled to indemnity under this Policy, if he or she proves that he or she was not aware and could not reasonably have known that the Driver of the Insured Vehicle or Substitute Vehicle was at the time so affected as in 2.(a) or (b);

3. any destruction, loss, damage, theft, fire or liability caused, sustained or incurred when the Insured Vehicle or Substitute Vehicle and any trailer, plant or attachment thereto was being used:
 - (a) to convey, lift or tow a load in excess of that for which it was designed unless the Insured can prove to the Company that the event giving rise to the claim was not caused or contributed to by such excess load;
 - (b) in an unsafe or unroadworthy condition unless the Insured can prove to the Company that the event giving rise to the claim was not caused or contributed

to by such unsafe or unroadworthy condition;

- (c) for the conveyance of passengers for hire, fare or reward;
- (d) in connection with or being tested in preparation for any motor sport including any race, trial, test, contest, competition or pacemaking;
- (e) for:
 - (1) Transport in Bulk of Dangerous Goods; or
 - (2) transport of any lesser quantity of Dangerous Goods than that defined as Transport in Bulk unless the method of transportation of goods and the quantity of goods transported complies with the Australian Code for the Transport of Explosives by Road and Rail and the Australian Code for the Transport of Dangerous Goods by Road and Rail and any other State or Federal legislation;
- 4. any destruction, loss, damage, theft, fire or liability intentionally caused, sustained or incurred by the Driver, the Insured or with the consent of the Insured except as a result of the

Driver taking evasive action in the ordinary course of driving;

- 5. any destruction, loss, damage, fire or liability caused by or arising from radioactivity or the use, existence or escape of any nuclear fuel, waste or material;
- 6. any consequence of war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation, or requisition or destruction of or damage by or under the orders of any government or public or local authority.
- 7. any claim arising from the failure or inability of any item, equipment or computer software to recognise correctly, to interpret correctly or to process correctly any date, or to function correctly beyond any time when that item, equipment or computer software has not recognised, interpreted or processed correctly any date. This General Exclusion 7 will not exclude any claim for subsequent loss of, or destruction of, or damage to, a vehicle or other property, sustained in a collision or caused by fire or theft.

Section 1



LOSS OF OR DAMAGE TO INSURED VEHICLE

Following physical loss or destruction of or damage to the Insured Vehicle caused by any accident or misfortune:

1. the Company will, at its option, either:
 - (a) repair, reinstate or replace the Insured Vehicle; or
 - (b) make a cash payment to the Insured, owner or other party who has an interest in the Insured Vehicle, to the extent of that interest, such payment by the Company being full and final discharge of that interest;
2. the cost, as estimated before commencing, of repair, reinstatement or replacement or the payment by the Company:
 - (a) will not exceed the market value of the Insured Vehicle at the time of the destruction, loss or damage; and
 - (b) will not exceed the Sum Insured shown in the Schedule, if such Sum Insured is less than the market value determined in 2(a);
3. the Company will pay either:
 - (a) the reasonable cost of protection and removal to the nearest repairer approved by the Company or place of safety or to any other place approved by the Company; or
 - (b) the reasonable cost expended by the Insured in the recovery or return of the Insured Vehicle following theft, but such payment will be limited to \$1,000.

Additional Benefits

1. **Employees' Built-in Accessories in Insured Vehicles**

The Company will indemnify the employee as though he or she were the Insured in the event of a claim for any built-in radio receiver, sound system, citizen's band radio, telephone, theft alarm or air conditioner installed in the Insured Vehicle and belonging to an employee of the Insured.
2. **Temporary Hiring Charges Following Theft**

The Company will indemnify the Insured in respect of the reasonable charges of hiring

a similar replacement vehicle if the Insured Vehicle is stolen, but:

- (a) this Additional Benefit applies only where the Insured Vehicle is a sedan or station wagon;
 - (b) the Company will not be liable to pay for hiring charges incurred after the date of recovery of the Insured Vehicle nor for a period in excess of 14 days following the theft; and
 - (c) the Company's liability for such hiring charges is limited to \$100 per day.
3. **New Replacement Vehicle**

Where the Insured Vehicle, being a sedan or station wagon, becomes a total loss within one year from the date of purchase when new, the Company will, at its option, pay either:

 - (a) for the replacement of the Insured Vehicle with a new vehicle of the same make and model or series, subject to local availability; or
 - (b) the cost of the nearest equivalent replacement available, including the payment of on-road costs.
 4. **General Average and Salvage Charges**

Where the Insured Vehicle has been transported by sea within Australian waters, the Company will pay the Insured's contribution for general average and salvage charges where such maritime conditions apply, but such payment will not exceed the market value of the Insured Vehicle at the time of such contribution or the Sum Insured shown in the Schedule, whichever is the lesser.

Exclusions

The Company will not make any payment in respect of:

1. loss, destruction or damage caused by:
 - (a) lawful seizure;
 - (b) operation of law arising from any breach of contract, agreement or obligation;
2. destruction of or damage to tyres by application of brakes or by road punctures, cuts or bursting;
3. depreciation;
4. wear and tear, rust or corrosion;
5. structural, mechanical, electrical or electronic breakdowns, failures or breakages;
6. loss of use, except as provided by Additional Benefit 2 of this Section.

See also General Exclusions on pages 10 and 11.

Section 2



THIRD PARTY LIABILITY

1. For the purpose of this Section the cover provided to the Insured applies to each party comprising the Insured as if that party were the only party named in the Schedule as the Insured and the Company waives its rights as set out in General Condition 5 of this Policy in respect of such parties.
2. The total indemnity provided by this Section, including Additional Benefits and inclusive of legal expenses, in respect of all claims arising from any one accident or series of accidents arising from one event, is limited to the amount stated in the Schedule as the Limit of Indemnity. Where more than one Insured Vehicle or Substitute Vehicle is involved, only one such limited amount of indemnity will be available.
3. The Company will indemnify:
 - (a) the Insured;
 - (b) the Driver;
 - (c) any person in, or on, or entering into, or alighting from the Insured Vehicle or Substitute Vehicle;
 - (d) the employer, principal or partner of the Insured where the Insured Vehicle or Substitute Vehicle is used by the Insured, but not where the Substitute Vehicle is owned by such employer, principal or partner;
 - (e) the Commonwealth and State Governments where the Insured Vehicle or Substitute Vehicle is used by the Insured on Government business,against liability arising from, and all legal expenses incurred with the written consent of the Company in the defence of any court proceedings in relation to, damage to property as a result of an accident arising out of the use, including the action of Loading or Unloading, of the Insured Vehicle or Substitute Vehicle or the towing of either:
 - (f) a trailer but only if not more than the number of trailers permitted by law is being towed at any one time; or
 - (g) not more than one disabled mechanically propelled vehicle at any one time.

Additional Benefits

1. Third Party Contingent Liability

The cover provided by this Section extends to indemnify the Insured in respect of any registered vehicle not owned or supplied by the Insured whilst such vehicle is being used by either:

- (a) an employee of the Insured; or
- (b) a person authorised by the Insured to use such vehicle,

on behalf of or in connection with the business or occupation of the Insured.

2. Removal of Debris

The Company will indemnify the Insured for costs, charges and expenses necessarily and reasonably incurred to clean up and remove debris of goods which fall or leak from the Insured Vehicle or Substitute Vehicle as a result of collision or overturning of such vehicle.

3. Injury

The cover provided by this Section extends to include liability arising from death or bodily injury, other than liability in respect of which indemnity is or would be partly or wholly provided by virtue of any legislation or by any statutory indemnity or by any insurance which is required by any legislation, as a result of an accident caused by or arising out of the use of the Insured Vehicle or Substitute Vehicle, but the Company will not make payment in respect of:

- (a) death of or bodily injury to:
 - (1) the Insured or the Driver;
 - (2) any member of the Insured's Family or the Driver's Family;
 - (3) any person ordinarily residing with the Insured or with the Driver or with whom the Insured or the Driver ordinarily resides;
- (b) any liability arising from death or bodily injury where the death or bodily injury arises out of the use of any unregistered vehicle or attachment thereto;
- (c) death or bodily injury where the death or bodily injury is a consequence of:
 - (1) the driving of or towing of the Insured Vehicle or a Substitute Vehicle;

-
- (2) a collision or action taken to avoid a collision with the Insured Vehicle or Substitute Vehicle when stationary;
 - (3) the Insured Vehicle or a Substitute Vehicle running out of control; or
 - (4) a trailer or disabled mechanically propelled vehicle becoming detached from the Insured Vehicle or Substitute Vehicle and running out of control.

Exclusions

The Company will not make payment in respect of any liability:

1. for damage to:
 - (a) property belonging to the Insured;
 - (b) vehicles or trailers in the custody or control of the Insured or any person indemnified by this Policy except vehicles or trailers belonging to the Insured's employees or visitors whilst such vehicles or trailers are within a car-park owned or operated by the Insured;
 - (c) property in the custody or control of the Insured or any person indemnified by this Policy whilst such property is in, or on, or being loaded on, or unloaded from, any vehicle;
2. caused by or arising out of the Use as a Working Tool of the Insured Vehicle, Substitute Vehicle or any plant or attachment to such vehicle, where the Insured Vehicle or Substitute Vehicle together with such plant or attachment has a maker's specified carrying capacity exceeding two tonnes or such plant or attachment is designed primarily as a working tool;
3. assumed by express contract, warranty or agreement unless such liability would have attached in the absence of such contract, warranty or agreement;
4. arising directly or indirectly from the common law of or any legislation governing employers liability.

See also General Exclusions on pages 10 and 11.

Notes

Notes

CGU Insurance Limited
ABN 27 004 478 371
AFS Licence No. 238291
An IAG Company