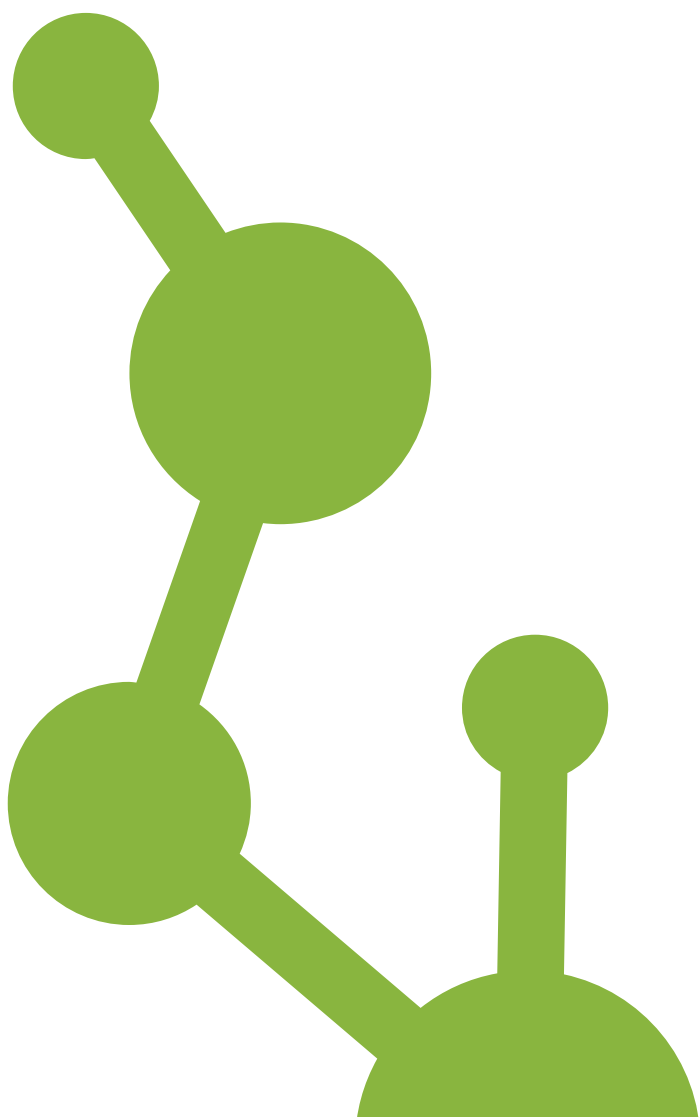




COMBINED PRODUCT DISCLOSURE STATEMENT  
AND FINANCIAL SERVICES GUIDE

# Car Insurance - D/B Direct



# Contents

## Part A: Product Disclosure Statement

<b>Introduction</b> .....	<b>1</b>
<b>Your Product Disclosure Statement (PDS)</b> .....	<b>1</b>
<b>Eric Insurance</b> .....	<b>1</b>
<b>Our agreement with you</b> .....	<b>1</b>
Our representatives and distributors .....	1
<b>How to apply</b> .....	<b>1</b>
<b>Summary of your comprehensive cover</b> .....	<b>2</b>
Comprehensive cover optional benefit .....	2
<b>Comprehensive cover</b> .....	<b>2</b>
<b>Included benefits</b> .....	<b>2</b>
Emergency travel / accommodation .....	2
Essential repairs .....	2
Funeral expenses .....	2
Hire car following theft .....	2
Keys and locks .....	2
Legal costs .....	2
Legal Liability .....	2
Personal property .....	2
Replacement of a new vehicle .....	3
Trailer cover .....	3
Transfer vehicle cover .....	3
Transit cover .....	3
Towing costs .....	3
<b>Optional benefit you can choose</b> .....	<b>3</b>
Windscreen cover .....	3
<b>What you are not insured for</b> .....	<b>3</b>
Being used for hire .....	3
Business pool cars .....	3
Consequential loss .....	3
Couriers / Security patrols .....	3
Driving under the influence of drugs alcohol or refusing a test .....	3
Failure to secure the vehicle .....	3
For sale .....	3
Funeral expenses .....	3
Illegal purpose .....	3
Incorrect fuel usage .....	3
Intentional loss or damage .....	4
Leaving the scene of an accident .....	4
Modifications and accessories .....	4
Motor trade use .....	4
Nuclear waste / material .....	4
Old damage .....	4
Operating lease cars .....	4
Overloaded vehicle / hazardous goods .....	4
Penalties and fines .....	4
Reckless acts .....	4
Seizure of vehicle .....	4
Specific Exclusions to Third Party Liability Cover .....	4
Storage costs .....	4
Territory limits .....	4
Terrorism .....	4
Tests and events use .....	4

## What you are not insured for (cont.)

Theft .....	4
Trailer or caravan contents .....	4
Tyres .....	4
Unauthorised repairs .....	4
Undisclosed drivers .....	4
Unintended use .....	4
Unlicensed drivers .....	4
Unregistered vehicles .....	4
Unroadworthy condition .....	4
War .....	5
Wear, tear and failure .....	5
<b>How to make a claim</b> .....	<b>5</b>
In the event of an accident .....	5
Following theft or malicious damage .....	5
In the event of damaged windscreen .....	5
Lodging your claim .....	5
<b>Who repairs the Vehicle?</b> .....	<b>5</b>
<b>Total Loss claim</b> .....	<b>5</b>
<b>What you pay in the event of a claim</b> .....	<b>5</b>
Premium .....	5
Excess .....	5
Contribution .....	5
<b>Excess</b> .....	<b>6</b>
Basic Excess .....	6
Inexperienced Driver Excess .....	6
Imposed Excess .....	6
International Licence Holder Excess .....	6
Unlisted Driver Excess .....	6
Paying your Excess .....	6
<b>Determining what we pay and our rights</b> .....	<b>6</b>
Maximum payment .....	6
Subrogation rights .....	6
Claim recovery .....	6
<b>Replacement parts</b> .....	<b>6</b>
<b>The cost of your insurance cover</b> .....	<b>6</b>
Pay your premium by instalments .....	6
Overdue instalments .....	7
<b>Cooling off period</b> .....	<b>7</b>
<b>We rely on the information you provide us</b> .....	<b>7</b>
<b>How we protect your personal information</b> .....	<b>7</b>
<b>Code of Practice</b> .....	<b>7</b>
<b>Cancellation</b> .....	<b>7</b>
Cancellation by you .....	7
Cancellation by us .....	7
Upon cancellation .....	7
<b>Termination</b> .....	<b>7</b>
<b>Dispute resolution</b> .....	<b>8</b>
<b>Financial Claims Scheme</b> .....	<b>8</b>
<b>GST</b> .....	<b>8</b>
<b>What do we mean by that?</b> .....	<b>8</b>

## Part B: Financial Services Guide



## Part A:

# Product Disclosure Statement

### INTRODUCTION

Please take the time to read through this document carefully and keep it in a safe place as it contains important information required under the Corporations Act 2001 including information about the extent of your insurance cover and any limitations.

If you have any questions about this document or your insurance cover, please contact us and we will be happy to explain any matter for you.

Preparation date 1<sup>st</sup> July 2020. VMVIDD010620

### YOUR PRODUCT DISCLOSURE STATEMENT (PDS)?

This PDS sets out the terms and conditions of your insurance cover. Please read it so that you can make an informed choice about your insurance needs.

The information in this PDS was current at the time of its preparation. If there is a significant change to the information, we will make available to you a replacement or Supplementary PDS. If you wish to obtain confirmation of the current terms and conditions of your insurance, please contact us and we will provide them free of charge.

Some words or expressions have special meaning and may begin with capital letters. Their meanings are explained under the heading "What do we mean by that?" in this PDS.

### ERIC INSURANCE

Eric Insurance Limited ABN 18 009 129 793 Australian Financial Services Licence (AFSL) 238 279 (Eric), is the issuer and underwriter of this insurance product.

If you need to contact us you can do so through any of the options below:

Address: PO Box 9106, Scoresby VIC 3179  
Telephone: 1800 999 977  
Web: [www.ericinsurance.com.au](http://www.ericinsurance.com.au)  
Email: [info@ericinsurance.com.au](mailto:info@ericinsurance.com.au)

We communicate with you in various forms including but not limited to letters, emails and SMS.

### OUR AGREEMENT WITH YOU

Upon payment of the Premium, our agreement with you is made up of:

- This combined PDS and Financial Services Guide (FSG);
- The Policy Schedule which shows the details relevant to your insurance cover; and
- Any Endorsement or Supplementary PDS which we may send to you.

### OUR REPRESENTATIVES AND DISTRIBUTORS

Eric has relationships with authorised representatives, distributors and other licensees who may arrange insurance on our behalf, and if so, may receive remuneration. For more information, please refer to the FSG (Part B of this document).

### HOW TO APPLY

To apply for this insurance, you will need to complete our online application.

Your answers to the questions we ask are used to evaluate your application. Refer to section under the heading "We rely on the information you provide us".

Once your application has been assessed in accordance with our underwriting acceptance criteria and if insurance cover is accepted, we will provide you with a Policy Schedule confirming the terms and conditions specific to your cover.



## SUMMARY OF YOUR COMPREHENSIVE COVER

The benefits provided by this insurance during the Period of Insurance are shown in the following tables and are subject to the terms, conditions and exclusions set out in this PDS. Please refer to the relevant sections of this PDS for more information.

Insurance cover is not available to all Vehicles or in all circumstances. You should carefully read the section titled "What you are not insured for" for further information.

Benefits	Cover Limit
Emergency Travel or Accommodation	\$500 – when 100km or more from your stated residential address.
Essential Repairs	\$300
Funeral Expenses	\$2,000
Hire Car following Theft	\$500
Keys and Locks	\$750
Personal Property	\$500
Replacement Vehicle	Where the Vehicle has travelled up to 70,000km
Towing	Reasonable costs
Trailer	\$1,000
Transfer Vehicle Cover	Limited to a value we determine and you agree to as reasonable for the new vehicle
Transit Cover	Unlimited

### COMPREHENSIVE COVER - OPTIONAL ADDITIONAL BENEFIT (An additional Premium applies if you select this benefit).

Benefits	Cover Limit
Windscreen Cover	\$600 in total.

## COMPREHENSIVE COVER

If your Vehicle is damaged in an accident, fire, theft, storm, flood or malicious act, then subject to the terms and conditions of our agreement with you, at our option we will:

- Repair, reinstate or replace your Vehicle;
- Pay you the cost of repairing your Vehicle; or
- Indemnify you up to the Amount Covered as shown on the Policy Schedule.

## INCLUDED BENEFITS

In the event we accept your claim, the following benefits may be provided:

### EMERGENCY TRAVEL / ACCOMMODATION

We will pay up to \$500 for emergency travel and/or overnight accommodation in the event the Vehicle is not able to be restored to a roadworthy and safe condition by Essential Repairs following an event covered by this insurance. This benefit will only apply where the event occurs over 100km from your stated residential address.

### ESSENTIAL REPAIRS

If your Vehicle is damaged as a result of an event covered by this insurance, we will pay up to a maximum of \$300 for the cost of essential repairs to restore it to a roadworthy and safe condition in order that it may be driven on to the intended destination or to your place of residence or employment.

### FUNERAL EXPENSES

We will pay for funeral expenses incurred following the death of the driver of your Vehicle (as certified by a licensed medical practitioner) as a direct result of injuries caused in an accident while driving the Vehicle. The accident resulting in the injury needs to have occurred during the Period of Insurance. The maximum benefit is \$2,000 for any one event less any amount payable by any accident compensation authority. Invoices/receipts must be provided. We will not pay a claim under this benefit if the death of the driver was as a consequence of intentional self-harm or suicide.

### HIRE CAR FOLLOWING THEFT

If your Vehicle is stolen we will reimburse you up to the benefit limit of \$500 for the reasonable cost of hiring a similar type of vehicle (excluding running costs, insurance or other costs that you may be liable for under the hire car or rental agreement).

We will pay this benefit until your Vehicle has been found and repaired, or we have replaced or indemnified you under this insurance, whichever is the earlier.

### KEYS AND LOCKS

If the Vehicle keys are lost or stolen, we will pay for the replacement keys and recoding of locks up to a benefit limit of \$750. Your Basic Excess will apply. If your keys have been stolen, you must report the theft to the Police.

### LEGAL COSTS

We will pay the costs of defending any legal proceedings commenced against you as a consequence of events covered by this insurance. We will only cover these costs where they have been incurred after our acceptance of your claim.

### LEGAL LIABILITY

We will cover you for accidental damage to someone else's property as a consequence of the use of your Vehicle, for which you would otherwise have Legal Liability.

This includes accidental damage to someone else's property occurring in connection with a trailer or caravan while attached to your Vehicle, or as a consequence of any item falling from the trailer or caravan.

The maximum amount we will pay in total for all claims arising out of any one Legal Liability event is \$20 million.

### PERSONAL PROPERTY

We will pay up to \$500 for loss or damage to personal property (excluding cash, cheques, credit cards or negotiable securities, all tools of trade, business equipment and mobile electronic devices such as mobile phones, tablets and handheld GPS) whilst contained in the Vehicle belonging to you or your direct family.

## REPLACEMENT OF A NEW VEHICLE

If your Vehicle becomes a Total Loss within 24 months of the date of first registration, we will replace your Vehicle with another vehicle of the same make, model and series, subject to the following conditions:

- You must have comprehensively insured the Vehicle with us from the date of first registration;
- The replacement vehicle must be locally available within 3 months of your Vehicle being declared a Total Loss, and if a replacement vehicle is not available, we will, at our option, pay the Amount Covered as stated in the Policy Schedule;
- Modifications and Non-Standard Accessories will be limited to the amount nominated by you and listed on the Policy Schedule as the Modifications and Non-Standard Accessories Value;
- If your Vehicle is under finance, you must supply your Financier's written consent to have the Vehicle replaced under the current contract; and
- The Vehicle should have travelled no more than 70,000km following its original registration.

If we replace your Vehicle, we will pay the Stamp Duty on the replacement vehicle.

## TRAILER COVER

We will pay up to \$1,000 if your trailer or caravan is accidentally damaged and/or stolen while it is attached to your Vehicle. The contents and fixtures of your trailer or caravan are not covered under this insurance.

## TRANSFER VEHICLE COVER

We will transfer this insurance if you sell the Vehicle and replace it with another vehicle, provided;

- The new vehicle meets our underwriting criteria;
- You advise us of the new vehicle details within 14 days of its purchase; and
- You pay to us any additional Premium as advised by us.

The Amount Covered will be adjusted to a value we determine and you agree to as a reasonable amount for your new vehicle.

## TRANSIT COVER

We will pay for loss of or damage to your Vehicle while being transported during the Period of Insurance between any places in Australia, including when your Vehicle is being loaded or unloaded. We will also pay your contribution for general average and shipping charges where maritime conditions apply.

## TOWING COSTS

If your Vehicle is damaged as a result of an event covered by this insurance, we will pay the reasonable cost depending upon the circumstances of your claim for:

- Removal of your Vehicle (excluding storage costs unless authorised by us) to the nearest repairer or place of safety; or
- Returning your Vehicle to you after it has been recovered following a theft.

## OPTIONAL BENEFIT YOU CAN CHOOSE

Available if you have paid any additional Premium applicable

### WINDSCREEN COVER

If you have selected this benefit it will be shown on your Policy Schedule. If your front or rear windscreen is damaged and requires repair or replacement, we will pay for one front or rear windscreen claim, free of Excess, occurring in any one Period of Insurance, limited to \$600 in total.

## WHAT YOU ARE NOT INSURED FOR

We will not pay any claim under this insurance for any of the following:

### BEING USED FOR HIRE

Vehicles used for hire, rental or carrying passengers for reward, including taxis, rideshare, rental cars and Vehicles used for paid driving lessons.

### BUSINESS POOL CARS

If the Vehicle is owned or leased by an entity other than a natural person, that is being used for business purposes by multiple drivers.

### CONSEQUENTIAL LOSS

Unless expressly included by this insurance, we do not provide cover for all or any consequential financial or non-financial loss or damage incurred as a consequence of the incident giving rise to a claim.

### COURIERS / SECURITY PATROLS

Vehicles used for delivery or courier use, or security patrols, including but not limited to fast food delivery or transportation of medical goods.

### DRIVING UNDER THE INFLUENCE OF DRUGS / ALCOHOL OR REFUSING A TEST

You or any driver of your Vehicle incurs loss, damage or Legal Liability whilst:

- Driving under the influence of alcohol or drugs of any kind; or
- You are convicted of or issued with an infringement notice, as a consequence of an accident, for:
  - Driving under the influence of alcohol and/or drugs; or
  - Driving whilst the percentage of alcohol in your blood exceeds that permitted by the law of any State or Territory; or
  - Refusing to submit to or cooperate with testing or analysis required by the law of any State or Territory for the purpose of ascertaining the presence of alcohol and/or drugs in your body.

### FAILURE TO SECURE THE VEHICLE

Damage, loss or Legal Liability which occurs as a consequence of leaving your Vehicle unattended and unlocked in a public place.

You must always act reasonably to ensure the Vehicle is securely locked whenever it is unoccupied. This includes not leaving your keys in or on the Vehicle whilst it is unattended.

We will not cover loss or further damage to the Vehicle following a loss or accident, unless all reasonable steps were taken to protect the Vehicle following the initial loss or accident.

### FOR SALE

The Vehicle is in the possession of a licensed motor car trader for the purpose of selling the Vehicle at the time of the event giving rise to the claim.

We will not cover loss or damage to the Vehicle where you fail to accompany anyone test driving the Vehicle as part of you selling the Vehicle privately.

### FUNERAL EXPENSES

Funeral expenses incurred if the death of the driver was a consequence of intentional self-harm or suicide.

### ILLEGAL PURPOSE

The Vehicle is used for illegal or unlawful purposes by you or by any person with your Express or Implied Consent.

### INCORRECT FUEL USAGE

Loss or damage to the Vehicle (including damage to the engine and/or fuel system) caused by the incorrect type or grade of fuel being used.

### **INTENTIONAL LOSS OR DAMAGE**

Intentional loss or damage caused by you, or someone you allow to use the Vehicle, or someone otherwise acting with your Express or Implied Consent.

### **LEAVING THE SCENE OF AN ACCIDENT**

Where you fail to comply with any obligations at law following an event that results in a claim, including where required failing to report an accident to Police or to remain at the scene of an accident long enough to enable the exchange of details or the attendance of interested parties.

### **MODIFICATIONS AND ACCESSORIES**

Loss or damage if the Vehicle was fitted with any illegal Modifications or accessories.

### **MOTOR TRADE USE**

Loss or damage caused whilst the Vehicle is in the control or custody of any party for the purposes of commercial servicing or repairing the Vehicle, unless the Vehicle was being repaired as authorised by us following our acceptance of a claim.

### **NUCLEAR WASTE / MATERIAL**

Loss or damage caused by the use, existence or escape of any nuclear fuel, nuclear material or waste.

### **OLD DAMAGE**

The cost of repairs to pre-existing damage to your Vehicle or repairing faulty workmanship or incomplete repairs to the Vehicle which were carried out prior to a loss or accident resulting in a claim under this insurance.

### **OPERATING LEASE CARS**

If the Vehicle is subject to a contract wherein the owner (Lessor) allows the user (Lessee) to use the Vehicle for a set period in exchange for financial compensation, and where the Lessor maintains ownership of the Vehicle throughout the operating lease.

### **OVERLOADED VEHICLE / HAZARDOUS GOODS**

Carrying and/or towing loads above the gross combination weight of the trailer and your Vehicle, as specified by the Manufacturer, or carrying hazardous or inflammable goods in contravention of the Australian Code for the Transport of Dangerous Goods by Road and Rail.

### **PENALTIES AND FINES**

Penalties, fines, punitive, exemplary or aggravated damages.

### **RECKLESS ACTS**

Reckless acts by you, or a person using the Vehicle with your Express or Implied Consent (such as but not limited to burnouts, donuts or street racing).

### **SEIZURE OF VEHICLE**

Loss or damage caused to your Vehicle as a consequence of legal seizure or repossession.

### **SPECIFIC EXCLUSIONS TO THIRD PARTY LIABILITY COVER**

We will not provide Third Party Property Damage cover:

- If the damaged property belongs to you or is in your possession, care, custody or control at the time of the accident.
- If the damaged property belongs to a person who resides at the same residential address as you.
- If the Vehicle was being operated without your permission at the time of the accident.
- For any liability you agree to accept that would not apply if such an agreement did not exist.

- For property belonging to or in the possession or control of a person operating or using the Vehicle with your permission at the time of the accident, but we will provide this cover to any other driver using the Vehicle with your permission, and any passengers in the Vehicle if the Vehicle is being used with your permission.

### **STORAGE COSTS**

Any storage charges associated with the Vehicle, unless approved by us.

### **TERRITORY LIMITS**

Loss, damage or Legal Liability caused or incurred outside Australia except where your Vehicle is in transit by sea, or air between places within Australia.

### **TERRORISM**

Loss or damage caused by the threat or use of force by any person or group of people for political, religious, ideological or similar purposes to influence any government and/or put any section of the public in fear.

### **TESTS AND EVENTS USE**

Vehicles used for or tested in preparation for racing, pace making, reliability or similar trials, rally, speed, hill climbing or similar tests, experiments or demonstrations in connection with the motor trade.

### **THEFT**

Where the Vehicle is stolen and/or damaged:

- As a consequence of your keys being in or on the Vehicle at the time of the theft or damage. This includes leaving the keys in or on your Vehicle when parked on private property; or
- By a person known to you unless you report the matter to the Police, and fully co-operate with any resulting Police investigation and/or legal action.

### **TRAILER OR CARAVAN CONTENTS**

Loss or damage to any contents or fixtures in or on your trailer or caravan.

### **TYRES**

Damage to tyres or wheel rims caused by braking, road puncture, cuts or bursting.

### **UNAUTHORISED REPAIRS**

Repairs to the Vehicle that have been made without our prior consent.

### **UNDISCLOSED DRIVERS**

Where the Vehicle is being used by a driver who is not listed on this insurance, who would not have been accepted as a risk for any reason within our current underwriting criteria.

### **UNINTENDED USE**

Using the Vehicle in a manner or under conditions which are outside the manufacturer's specifications or recommendations.

### **UNLICENSED DRIVERS**

Where the Vehicle is being driven (with your express or implied consent) by any person who is not licensed or authorised to drive a specific type or class of vehicle under any State or Territory laws, unless such person holds a Learners Permit and is accompanied by a fully licenced driver.

### **UNREGISTERED VEHICLES**

If the Vehicle was unregistered at the time of an accident that results in a claim on this insurance.

### **UNROADWORTHY CONDITION**

If, at the time of the event giving rise to the claim, the Vehicle was being used in an un-roadworthy or unsafe condition and you knew or ought to reasonably have known of such condition.



## WAR

Loss or damage caused by war, foreign hostilities, civil war, rebellion, revolution, insurrection, military or usurped power, riots, labour disturbances or looting, sacking and/or pillage.

## WEAR, TEAR AND FAILURE

Loss or damage attributable to deterioration, wear and tear, rust or corrosion, structural, mechanical or electrical failure to any part of your Vehicle, or for the cost of repairs to the components that failed.

## HOW TO MAKE A CLAIM

When making a claim and to assist us in processing it, you must give us the information and assistance we reasonably request, and any information you give us must be honest, correct and complete.

We may need certificates or other documentation to verify your claim, including a completed claim form. Where this is required, we will ask for it. Any costs associated with obtaining further information regarding your claim are payable by you.

Where you fail to provide all assistance required within a timely manner, we may place your claim on hold until such time as all assistance is given. This includes but is not limited to, attending interviews, assisting with recovering from other parties, and providing requested documentation.

## IN THE EVENT OF AN ACCIDENT

As soon as possible after an accident:

- Take all reasonable steps to prevent or minimise further injury (if applicable) loss, damage or liability.
- Exchange details with all other parties involved in the accident, including names, addresses, vehicle details, and insurance details.
- Do not admit, deny or negotiate liability with any person.
- Obtain a Police Report within 18 hours if:
  - no other Vehicles are involved; or
  - the driver of your Vehicle leaves the scene of the accident before giving their details to the other driver involved in the accident.
- Make note of the accident details including time, date, location and road conditions.
- If possible, seek witness details to assist to confirm accident details.

## FOLLOWING THEFT OR MALICIOUS DAMAGE

As soon as you discover the theft or malicious damage:

- Notify the Police immediately.
- Take all reasonable steps to prevent or minimise further loss or damage (where applicable).
- Make note of the incident details including time, date, and location.
- If possible, seek witness details to assist to confirm the incident.

## IN THE EVENT OF DAMAGED WINDSCREEN

- If the windscreen is damaged whilst driving, pull over to a place of safety.
- Take all reasonable steps to prevent or minimise further loss or damage.

## LODGING YOUR CLAIM

- Contact us on 1800 999 977 or obtain a claim form by visiting [www.ericinsurance.com.au](http://www.ericinsurance.com.au).
- Claims should be lodged for consideration within 30 days of the event, with full details of the event including any party who may be responsible. If your claim is lodged after 30 days and doing so impacts our opportunity to accurately assess or investigate your claim, or results in us incurring additional costs, we may reduce your claim settlement by the additional costs.
- Provide us with an opportunity to inspect any loss or damage before repairs are commenced.

## WHO REPAIRS THE VEHICLE?

If we accept your claim and the Vehicle can be repaired, we will arrange to have the Vehicle repaired by a repairer acceptable to us from our network of recommended and preferred repairers. Where there is more than one repairer conveniently available to repair your Vehicle, you can choose a repairer from our network. We will only pay for repairs to a licenced repairer authorised by us.

Where you decide to choose a repairer outside our network, we may not authorise repairs. Where repairs are not authorised by us, we will pay you the reasonable cost for the repairs as determined by us considering alternative repair quotations from repairers we choose.

## TOTAL LOSS CLAIM

If we consider your Vehicle to be a Total Loss, we will:

- replace your Vehicle in accordance with the terms and conditions of your insurance as stated under the heading "Replacement of a new vehicle", or
- pay you up to the Amount Covered as shown on your Policy Schedule.

We may deduct from your claim settlement:

- the total of any excesses applicable,
- any unpaid premiums (including instalment payments for the remaining Period of Insurance), and
- the amount of any refund you receive from the registration and Compulsory Third Party (CTP) Insurance.

Any salvage of your Vehicle will become our property and we will retain the proceeds of any salvage sale.

If your Vehicle is subject to a finance contract, then we will pay the balance owing on the finance contract (up to the Amount Covered less deductions applicable) to the Financier and pay you any balance.

## WHAT YOU PAY IN THE EVENT OF A CLAIM

Before we make any payment in relation to a claim on this insurance, you may be required to pay:

### PREMIUM

In the event of a Total Loss we will deduct from the amount we pay you any unpaid periodic payments for the remaining Period of Insurance.

### EXCESS

The applicable Excess/es. More information can be found under the heading 'Excess' below.

### CONTRIBUTION

You may be asked to contribute toward the repair costs if:

- The repairs being performed will restore the Vehicle to a better condition than that immediately prior to the incident which gives rise to a claim under this insurance; or
- The cost of repairing legal Modifications and/or Non-Standard Accessories that are essential to the operation of the Vehicle but exceed the amount nominated by you in the Modifications and Non-Standard Accessories Value.



## EXCESS

There are 5 types of Excesses:

1. Basic Excess;
2. Inexperienced Driver Excess;
3. Imposed Excess;
4. International Licence Holder Excess; and
5. Unlisted Driver Excess (not applicable to Learner Drivers)

The Excess you pay is the total of the applicable Excesses added together. You will not be required to pay an Excess where we determine you are not at fault, and you can provide the name, residential address and contact details of the person(s) we agree is at fault and this person(s) does not reside at the same residential address as you.

### BASIC EXCESS

A Basic Excess will apply in the event of a claim and it will be shown on your Policy Schedule under the heading "Excess Details".

### INEXPERIENCED DRIVER EXCESS

An Inexperienced Driver Excess of \$750 will apply if the driver of the Vehicle at the time of an accident has been licensed in Australia for less than two years.

(The duration of a learners permit is not considered as a licence for the purpose of experience).

### IMPOSED EXCESS

An Imposed Excess may be applied based on the type of Vehicle and/or the driving record and accident or insurance history of a driver of the Vehicle and will be shown on your Policy Schedule under the heading "Excess Details". Where the driver of the Vehicle at the time of an accident was unlisted, we will request documentation to determine if an Imposed Excess would apply.

### INTERNATIONAL LICENCE HOLDER EXCESS

An International Licence Holder Excess of \$2,000 will apply if the driver of the Vehicle at the time of an accident is only authorised to drive on an International Licence.

### UNLISTED DRIVER EXCESS

An Unlisted Driver Excess of \$750 will apply if the driver of the Vehicle at the time of an accident is less than 25 years of age and is not listed on your insurance at the time of an accident, and where we would have agreed to include them as a driver based upon our acceptance and eligibility guidelines.

### PAYING YOUR EXCESS

How you pay your Excess, if applicable, will depend on the type of claim.

#### Accident repair claims:

Any applicable Excess will be deducted from the cost of repairs to the Vehicle and you pay the Excess to the repairer. Where we are unable to authorise repairs and a cash settlement is made in-lieu, we shall deduct the excess from the amount we pay.

#### A Total Loss claim:

Excess will be deducted from the assessed Total Loss value of the Vehicle. If we replace the Vehicle following a Total Loss, you pay the Excess to the dealer when collecting the replacement vehicle.

#### Windscreen claims:

Where you have not selected the Windscreen Cover Optional Benefit, the Basic Excess applies to a windscreen claim. Where we have authorised repairs, you pay the Basic Excess to the repairer. If you needed to have repairs completed where we were unable to authorise the claim as it was out of usual business hours, the Basic Excess will be deducted from the amount we assess and elect to pay you.

#### Legal Liability claims:

Irrespective of whether there is damage to your Vehicle, if you have caused damage to another vehicle or property, you will need to pay us any applicable Excess before we make payment for the damage you have caused.

## DETERMINING WHAT WE PAY AND OUR RIGHTS

### MAXIMUM PAYMENT

We will not pay more than the Amount Covered as stated in the Policy Schedule.

### SUBROGATION RIGHTS

We are entitled to take over and conduct in your name and the name of any other person, the defence or settlement of any claim. We are also entitled to prosecute to the extent of the law for our own benefit and in your name, a claim for any indemnity or damages. We shall further have full discretion in the conduct of these proceedings or in the settlement of any claim.

### CLAIM RECOVERY

If you make a claim for an incident that we consider was not your fault, we reserve the right to action recovery of any payments made by us, and any such recovery action will be taken in your name.

### REPLACEMENT PARTS

If any part necessary for repair of the Vehicle is not available in Australia, then we will attempt to obtain a part consistent with the age or condition of the Vehicle. If we are unable to obtain such a part, then we will pay the lesser of:

- The manufacturer's most recent Australian list price for that part;
- The list price of the closest equivalent part available in Australia; or
- The actual cost of having a new part made in Australia.

We will pay for the repair or replacement of a particular damaged item irrespective of whether it forms part of a set. For example, if one wheel rim is damaged and cannot be replaced because it is no longer available, we will only pay for one wheel rim and not a full set of four wheel rims.

### THE COST OF YOUR INSURANCE COVER

The Premium for your insurance cover will be shown on the Policy Schedule. Some of the key factors that may influence your Premium include, where applicable:

- The type of Vehicle;
- The age and driving licence history of drivers of the Vehicle;
- The driving experience of anyone likely to drive your Vehicle including accidents or claims;
- The location where the Vehicle is garaged;
- The usage of the Vehicle;
- Government taxes and/or charges; or
- The method of payment you choose by which to pay the Premium, including payment by instalments.

You are not obliged to finance the payment of the Premium.

### PAY YOUR PREMIUM BY INSTALMENTS

You can pay the Premium by instalment payments to help spread your payment over time. If you pay the Premium by instalment payments:

- An Interest Charge will apply which will be separately disclosed on your Policy Schedule, and
- The Total Amount Payable will be more than if you pay the Premium in a single upfront payment.

If you make a claim which results in the termination of your insurance cover, we shall deduct the instalment payments for the remaining Period of Insurance from any claim amount we pay you.



## OVERDUE INSTALMENTS

If you are paying the Premium by instalment payments and an instalment payment is overdue, we can do one or both of the following:

- Refuse to pay a claim if the instalment payment is 14 days (or more) overdue;
- Cancel your insurance cover if the instalment payment is 1 month (or more) overdue.

If we cancel your insurance cover because an instalment payment is unpaid, your insurance cover will end on the due date of the unpaid instalment payment.

If you are paying the Premium by instalment payments, please refer to the Direct Debit Request Service Agreement which sets out the terms and conditions applicable to your instalment payment arrangement.

## COOLING OFF PERIOD

You can cancel your insurance within 21 days of the date your insurance commences ("cooling off period") by contacting us by phone, email or mail, and unless you have made a claim, we will refund the Premium in full.

You are also entitled to cancel your insurance cover after the cooling off period (refer to the "Cancellation of your insurance" section for full details).

## WE RELY ON THE INFORMATION YOU PROVIDE US

When we agree to insure you, to renew or vary your insurance cover or decide on your claim, our decision relies on the accuracy of the information you give us. If that information is not accurate, we may reduce or deny a claim made by you or anyone else insured by this insurance, or cancel this insurance.

We never want to have to do that, so you must answer honestly, completely and correctly the questions we ask about you, your Finance Contract, the Vehicle, your claim or any events that may result in a claim on your insurance.

We don't require You to comply with the general duty of disclosure. We do require You to be truthful, honest and accurate whenever we interact with You in relation to this insurance. You must also inform us immediately if any of the following circumstances apply to You:

- There is a change in your personal details;
- Changes to the Vehicle or Vehicle use; or
- You are no longer the registered owner of the Vehicle.

## HOW WE PROTECT YOUR PERSONAL INFORMATION

Eric are committed to ensuring that your personal information is protected. We collect, store and use your personal information (including sensitive information) for the purpose of providing you with insurance, administering your insurance policy including assessing and paying claims as required. Where it is possible for us to do so, we will collect personal information directly from you or through our distributors at point of sale of your insurance.

We may also use your personal information to inform you about other insurance products or services which may benefit you, perform administrative functions such as training and development of employees, manage complaints and disputes, and to comply with our legal obligations.

Further information on how we use your personal information is set out in our Privacy Policy that is available on our web site [www.ericinsurance.com.au/privacy-policy](http://www.ericinsurance.com.au/privacy-policy).

## CODE OF PRACTICE

The Insurance Council of Australia (ICA) has developed a voluntary General Insurance Code of Practice (the Code) to which we are a signatory. This Code aims to raise the standards of practice and service within the general insurance industry.

The objectives of this Code are:

- 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.

To obtain a copy of the Code visit [www.codeofpractice.com.au](http://www.codeofpractice.com.au) or contact us.

## CANCELLATION

### CANCELLATION BY YOU

You may cancel your insurance at any time by contacting us by phone, email or mail. If you cancel your insurance, your cover will end on the date we receive your cancellation request, unless you inform us otherwise and we agree.

### CANCELLATION BY US

We may cancel this insurance when it is permitted by law such as if you:

- Made a misrepresentation to us before entering into this insurance;
- Fail to comply with the duty of utmost good faith;
- Fail to comply with a provision of this insurance (including the obligation to pay the Premium on time); or
- Make a fraudulent claim under this insurance policy or any other insurance policy.

### UPON CANCELLATION

If your insurance cover is cancelled either by you or us (except in the case of fraud) outside your cooling off period, we will refund any Premium you have paid for the period after the cancellation date, less:

- Any non-refundable taxes and charges; and
- Our cancellation fee of \$50.

If we have cancelled your insurance cover due to fraud, we will not pay any refund.

If the refund amount is less than the cancellation fee and other charges, a refund will not be issued and we will not charge you an additional amount to cover the difference.

Where the Premium has been financed, you authorise us to pay any refund direct to the Financier unless the Financier otherwise authorises the refund to be paid direct to you.

## TERMINATION

This insurance cover will terminate and no Premium refund is payable if:

- The Period of Insurance expires; or
- We have paid all amounts we are obliged to pay under this insurance including where the Vehicle is assessed by us to be a Total Loss.



## DISPUTE RESOLUTION

Eric is committed to providing a great range of products and services to our customers. Eric is a signatory to the General Insurance Code of Practice and follows the complaints process outlined in the Code. Please talk to us using the details set out below if at any time we have not satisfied your expectations. Most times we will be able to resolve your concerns upon initial contact.

Post: PO Box 9106, Scoresby VIC 3179  
Phone: 1800 999 977  
Web: [www.ericinsurance.com.au](http://www.ericinsurance.com.au)  
Email: [info@ericinsurance.com.au](mailto:info@ericinsurance.com.au)

If we are unable to resolve your concern, please ask to speak to our Customer Resolution Leader (CRL) who will register your complaint and conduct an initial review of the matter and provide a recommendation to you.

If at this point the CRL recommendation has not resolved your complaint to your satisfaction, you may wish to request a final internal review by Eric's Internal Dispute Resolution (IDR) Committee. Our dispute resolution procedure is free of charge to you.

A dispute can be referred to the Australian Financial Complaints Authority (AFCA). It provides a free and independent dispute resolution service for consumers who have general insurance disputes falling within its terms. Their contact details are:

Phone: 1800 931 768  
Post: GPO Box 3, Melbourne, Victoria 3001  
Web: [www.afca.org.au](http://www.afca.org.au)

## FINANCIAL CLAIMS SCHEME

This insurance cover may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS), administered by the Australian Prudential Regulation Authority (APRA). The FCS applies in the unlikely event of insurer insolvency if the Federal Treasurer declares that the FCS will apply to the insolvent insurer.

The FCS entitles certain persons, who have valid claims connected with certain protected policies issued by that insurer to be paid certain amounts by APRA. Information about the FCS can be obtained from APRA at [www.fcs.gov.au](http://www.fcs.gov.au) or by calling 1300 55 88 49.

## GST

Any claim payments we make will be based on GST inclusive costs. If you are entitled to claim an input tax credit for any claim paid under this insurance, we will reduce the claim payment by the amount of such input tax credit.

If you are registered for GST, you must advise us of your correct input tax credit percentage. You are liable for any GST liability we incur arising from your incorrect advice or failure to advise us of your GST situation.

## WHAT DO WE MEAN BY THAT?

Certain words used in this document have special meanings. These words and their meanings are listed below:

**Amount Covered:** The maximum amount we will pay for any claim on your Vehicle including the amount nominated by you as the Modifications and Non-Standard Accessories Value, and as shown on your Policy Schedule.

**Endorsement:** An additional term or condition applied by us or an alteration requested by you and agreed to by us. An Endorsement may be sent as a separate document or may be stated on the Policy Schedule.

**Excess:** The contribution to the claim cost which you may be required to pay in the event of a claim. Any Excess will be shown in this PDS and/or your Policy Schedule. The Excess you may pay is the total of the applicable Excesses added together.

**Express or Implied Consent:** Where you provide permission for a person to use the Vehicle either by verbal agreement or by providing them with access to it.

**Financier:** The finance company or credit institution named in the Policy Schedule with whom you have entered into a Finance Contract in relation to your Vehicle.

**Insurance Charge:** The amount you pay for this insurance cover prior to any compulsory Government charges such as Stamp Duty, GST and levies if applicable.

**Interest Charge:** The additional charge payable by you if you choose to pay the Premium by instalments. This amount is a separate charge and does not form part of the Premium you pay for this insurance cover.

**International Licence:** Any licence to drive a vehicle not issued by a State or Territory of the Commonwealth of Australia.

**Legal Liability:** The legal responsibility to pay compensation for damage to property, other than your own, as a result of an accident involving your Vehicle for which you or the driver of your Vehicle is at fault.

**Modifications and Non-Standard Accessories Value:** The amount nominated by you for the total combined value of all legal Modifications and Non-Standard Accessories to your Vehicle and is the maximum amount we will pay for the repair or replacement of these items. This value will be shown on your Policy Schedule.

**Modifications:** Alterations to the Vehicle's standard body, interior, engine, suspension, wheels, tyres or paintwork which may alter the value, safety, performance or appearance of the Vehicle.

**Non-Standard Accessories:** Any items fitted to the Vehicle which were not part of the manufacturer's standard specification for the Vehicle. This may include but is not limited to:

- Non Factory LPG;
- Bull Bars;
- Roof Racks;
- Side Steps;
- GPS; or
- Bluetooth and Phone Kits.

**Period of Insurance:** The period during which cover is provided under this insurance as shown on the Policy Schedule. The Period of Insurance begins on the commencement date and ends on the expiry date, as stated on the Policy Schedule, unless this insurance cover ends earlier in accordance with its terms.

**Policy Schedule:** The most recent document we provide to you describing the terms and conditions specific to your insurance cover which includes your details, the Vehicle details, the policy number together with the details of cover, Premium, additional Interest Charges (if applicable) and other policy details. This document also provides you with confirmation of your transaction.

**Premium:** The amount you pay for this insurance cover including amounts payable by us in relation to any compulsory Government charges such as Stamp Duty, GST and levies if applicable. This amount does not include the additional Interest Charge payable by you if you choose to pay your Premium by instalments.

**Total Amount Payable:** Your Premium and Interest Charges payable (if applicable) shown on your Policy Schedule.

**Total Loss:** If the damage sustained to your Vehicle in our opinion renders the Vehicle unsafe or uneconomical for us to repair when compared to the Amount Covered as shown on the Policy Schedule, or when your Vehicle has been stolen and not recovered.

**Unlisted Driver:** Any person who has your Express or Implied Consent to be in control of the Vehicle and is not nominated on this insurance prior to the occurrence of an event leading to a claim.

**Vehicle:** The Vehicle and any Modifications or Non-Standard Accessories described on the Policy Schedule.

**We, us, and our:** The issuer and insurer of the policy, Eric Insurance Limited ABN 18 009 129 793 AFSL 238 279

**You and your:** The insured person(s) named in the Policy Schedule, who must also be the registered owner of the Vehicle, or any person who has your Express or Implied Consent to be in control of the Vehicle. It also includes the Financier if the Vehicle is subject to a finance contract only to the extent of their interest in the Vehicle.



[ericinsurance.com.au](http://ericinsurance.com.au)  
1800 999 977

PO Box 9106  
Scoresby Victoria 3179  
ABN 18 009 129 793 AFS Licence No: 238279

## Part B FINANCIAL SERVICES GUIDE

### About this Financial Services Guide

This Financial Services Guide (FSG) is designed to assist you in deciding whether to use the financial services we provide. It explains the kinds of financial services we offer. It also contains general information about who we are, how we and other persons or organisations are paid in relation to the services and how to make a complaint.

The Product Disclosure Statement (PDS) (Part A of this document) contains information on the benefits and significant characteristics of this Eric insurance product and of the rights, terms and conditions attaching to the policy. It is aimed at assisting you to compare insurance products so that you can make an informed choice about whether to acquire the product.

This FSG was prepared on 1st Oct 2017.

Distribution of this FSG has been authorised by Eric.

Your questions	Our Answers
Who is Eric?	<p>Eric Insurance Limited 18 009 129 793 (AFSL 238279) is the APRA and ASIC regulated licensee. Eric is exempt from the need to have ASIC approved professional indemnity insurance, Eric holds adequate professional indemnity insurance. Its contact details are:</p> <p>Address: PO Box 9106 Scoresby, VIC 3179</p> <p>Phone: 1300 489 685</p> <p>Eric is an Australian Financial Services Licensee which is authorised to deal in and provide general advice in relation to general and life insurance (limited to life consumer credit insurance) products.</p> <p>Eric underwrites motor trade related insurances for wholesale and retail clients. Depending on the scope of their authorisation, Eric's authorised representatives can assist you with a wide range of general insurance products.</p>
Who are we?	<p>We are the Authorised Representative of Eric Insurance Limited ABN 18 009 129 793 AFS License No: 238279 (Eric). We are authorised to provide the financial services set out in this FSG and act as Eric's agent. Eric is an APRA regulated licensee.</p>
What remuneration is payable in relation to the financial services we provide?	<p>We receive commission from our licensee. The commission is a percentage of the premium paid by you, less any taxes or government charges and is detailed in this FSG. Commission may also be paid when you renew or vary your insurance. If a policy has been financed, the finance provider may also receive a commission from the licensee which is at no extra cost to you.</p> <p>Where a third party has referred you to us, we may share with them a part of the commission we earn. Any commission we pay to a referrer is at no extra cost to you.</p> <p>We may also charge a fee for our services to you. Any such fee we charge is an additional cost to you and is detailed in this FSG.</p> <p>Later in this FSG it sets out more detailed information regarding our remuneration, including commission, from our licensee and associated business partners. If you require more detailed information on our fees or remuneration, please ask us.</p> <p>Our staff who provide the authorised financial services are paid a salary for their services and may also receive bonuses based on the volume of sales of all financial products over a period. Eric may provide other benefits, such as profit sharing arrangements, business related conferences, study trips or other functions. We (including our directors, staff and subcontractors) may also be eligible to qualify for other benefits such as awards or hospitality events. These are provided to us at no additional cost to you.</p>
<p><b>General financial product advice</b></p> <p>Any financial product advice we may provide to you will be of a general nature only and has not taken your personal needs, objectives or financial situation into account. We therefore recommend that you carefully read the Product Disclosure Statement and Policy documentation provided by Eric and any other information before making your decision.</p> <p><b>Authorised financial services</b></p> <p>On behalf of Eric and in accordance with the terms of our agreement with them, we are authorised to do the following: Arrange for the application for, acquisition, issue, variation or disposal of the financial products listed in this FSG. There is no binding authority which means that only the product issuer can agree to issue, vary or dispose of these products.</p> <p>We are authorised to provide general financial product advice (but not personal financial product advice) in relation to the financial products listed in this FSG.</p>	

## Other remuneration, commission and benefits

In addition to the remuneration noted above, we may also receive additional commission or other benefits from Eric, for example:

- A volume bonus based on the profit Eric earns from each product,
- The volume of business we generate,
- Achievement of agreed sales targets,
- Market forces within the industry,
- Other benefits from Eric underwritten products such as materials, services and/or payments to assist in the sale, marketing and promotion of Eric products,
- Sales and product training for our staff to provide them with the necessary expertise to sell the products,
- Point of sale marketing materials and financial contributions to cover the cost of advertising, printing and computer equipment, and
- We may participate in sales incentive schemes, competitions or promotions from time to time or on an ongoing basis.

These factors may vary from time to time and the volume bonus is earned and paid periodically. Our participation in these benefits is at no additional cost to you. In addition to their salary, we may share or pass on a proportion of the commission, volume bonus and sales incentives to our authorised sales staff. Such payments will not exceed the amounts paid to us by Eric.

**Emergency Services Levy explained for our customers in New South Wales.** From 1 July 2017 you will no longer pay for the Emergency Services Levy as part of your insurance premium. This fee will be replaced by the Emergency Services Property Levy. Eric Insurance will continue to collect the ESL until this date to ensure we meet our obligations to the New South Wales government. Please see [www.ericinsurance.com.au/support](http://www.ericinsurance.com.au/support) for more information

Products we are authorised to provide	Commission Payable (% of Premium paid, net of tax and government charges)
Consumer Credit Insurance (CCI)	Up to 20%
Gap Cover Insurance	Up to 65%
Motor Vehicle Insurance	Up to 30%
Extended Warranties Insurance	Up to 65%

**\*Where insurance is distributed by Eric's Authorised Representative in the Dealer and Broker channel, the commission will be up to 20%.**

<b>What happens if you have a complaint or dispute?</b>	If you have a complaint or dispute about the financial services we provide, please contact us using the contact details above. We will attempt to resolve the issue and we will also refer it to Eric. If we or Eric are unable to resolve your complaint internally you may refer your dispute to the Australian Financial Complaints Authority which is an ASIC approved independent external dispute resolution service. This service is free of charge.
<b>What compensation arrangements apply?</b>	Please see the Compensation Arrangements and Financial Claims Scheme section of the PDS (Part A of this document) for information on Eric's compensation arrangements.
<b>How is my personal information dealt with?</b>	We are committed to ensuring the privacy and security of your personal information. We adhere to the Privacy terms set out in the "Privacy" section of the PDS (Part A of this document).
<b>Where can you find further information?</b>	If you require further information or would like to give us instructions you can contact us on the number provided on the last page of this document.

### Eric Authorised Representative details

Pickerings Auto Group - Townsville  
 ABN: 45 609 317 688  
 Authorised Representative No: 1249170  
 Address: 783 - 797, Flinders Street, QLD, 4810  
 Phone: 07 47265555  
 Fax:  
 Email: [payments@pickerings.com.au](mailto:payments@pickerings.com.au)  
 Our Office Hours Are: 9.00am to 5.00pm Monday to Friday  
 Trading as: Pickerings Auto Group - Townsville