

11 November 2014

**BY EMAIL: adjudication@accg.gov.au**

The General Manager  
Adjudication Branch  
Australian Competition & Consumer  
Commission  
GPO Box 3131  
CANBERRA ACT 2601

Dear Sirs

**Territory Insurance Office - Third line forcing notification**

We act for the Territory Insurance Office.

We refer to the draft *Form G* notification lodged on 5 November 2014. As discussed with the Adjudication Branch on 10 November 2014, TIO wishes to assert confidence in respect of the number of Products currently on issue. We have now provided this information by way of a confidential attachment to the *Form G*.

Please now find **enclosed** a completed *Form G*, which includes:

- Attachment 1 – Territory Car Insurance PDS;
- Attachment 2 – Territory Commercial Vehicle Insurance PDS; and
- Attachment 3 - Confidential Annexure.

We confirm that the cheque in payment of the lodgement fee has already been submitted and we expect would have been received by the Commission on or around Friday 7 November 2014.

If you have any questions, or require any further information, please do not hesitate to contact us.

Yours faithfully

**MINTER ELLISON**



Lisa Jarrett  
Partner

Contact: Lisa Jarrett  
Direct Phone: +61 8 8233 5501  
Email: lisa.jarrett@minterellison.com  
Our reference: 56068/215038 | ALNJ | LNJ | NZF

**MINTER ELLISON GROUP AND ASSOCIATED OFFICES**

ADELAIDE AUCKLAND BEIJING BRISBANE CANBERRA DARWIN GOLD COAST HONG  
KONG LONDON MELBOURNE PERTH SHANGHAI SYDNEY ULAANBAATAR WELLINGTON

# Form G

Commonwealth of Australia  
*Competition and Consumer Act 2010 — subsection 93 (1)*  
**NOTIFICATION OF EXCLUSIVE DEALING**

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with subsection 93 (1) of the *Competition and Consumer Act 2010*, of particulars of conduct or of proposed conduct of a kind referred to subsections 47 (2), (3), (4), (5), (6), (7), (8) or (9) of that Act in which the person giving notice engages or proposes to engage.

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

## 1. Applicant

- (a) Name of person giving notice:  
(Refer to direction 2)

N97964 Territory Insurance Office ABN 72 532 995 678, a body corporate established by the *Territory Insurance Office Act (NT) (TIO)*.

- (b) Short description of business carried on by that person:  
(Refer to direction 3)

General (including motor vehicle) insurance, financial services and other functions prescribed by the *Territory Insurance Office Act (NT)*.

- (c) Address in Australia for service of documents on that person:

Minter Ellison  
Level 10, 25 Grenfell Street  
ADELAIDE SA 5000

## 2. Notified arrangement

- (a) Description of the goods or services in relation to the supply or acquisition of which this notice relates:

Benefits offered to holders of certain TIO motor vehicle insurance policies, namely:

- Private Motor Policy;
- Commercial Motor Policy; and
- Fleet Motor Policy,

(together, **Products**).

(b) Description of the conduct or proposed conduct:

Pursuant to the Products, TIO proposes to offer certain benefits to persons who hold motor vehicle insurance policies with TIO (the **insured**) on condition that they choose to have repairs undertaken on vehicles to which the policies of insurance correspond with motor vehicle repairers appointed by TIO on the basis of repairers' ability to meet and maintain:

- initially, minimum service level requirements imposed by TIO, specifically relating to insured's interaction requirements and quality control measures; and
- subsequently, the minimum benchmark standards prescribed by the Australian Motor Bodies Repair Association.

A motor vehicle repairer that enters into an arrangement with TIO will be known as a "**Participating Repairer**".

The benefits to be offered to insureds are:

- *A lifetime repair guarantee* - If the insured chooses to have their motor vehicle repaired by a Participating Repairer, TIO will guarantee the quality of the materials and labour used in repairs TIO authorises during the period that:
  - the insured, or an immediate family member, owns the vehicle; and
  - the vehicle is insured with TIO.

During this period, TIO will fix any problems arising from faulty materials used in the repair or workmanship during the repair, at no cost to the insured.

- *No cash settlement of repairs* - If the insured chooses to have their motor vehicle repaired by a Participating Repairer, TIO will cover the cost of all authorised repairs performed by the repairer (subject to any excess or deductible). If the insured chooses not to have their motor vehicle repaired by a Participating Repairer, TIO may instead settle with the insured for a cash sum that TIO considers reasonable in accordance with the Product Disclosure Statement for the insured's insurance policy.

Each of these benefits will be offered in accordance with the insured's insurance policy and Product Disclosure Statement (i.e. certain benefits may not be offered at all times).

*(Refer to direction 4)*

**3. Persons, or classes of persons, affected or likely to be affected by the notified conduct**

(a) Class or classes of persons to which the conduct relates:  
*(Refer to direction 5)*

Persons acquiring or holding the Products with TIO.

(b) Number of those persons:

(i) At present time:

TIO asserts confidence in respect of the number of Products currently on issue, and therefore has provided this information by way of the confidential annexure to this notification.

(ii) Estimated within the next year:

*(Refer to direction 6)*

TIO does not expect there to be a material change from the numbers provided in paragraph (i).

(c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses:

Not applicable.

#### **4. Public benefit claims**

(a) Arguments in support of notification:

*(Refer to direction 7)*

We confirm that insured persons will remain entitled to choose their own motor vehicle repairer. TIO does not force customers acquiring or holding the Products to acquire repair services from Participating Repairers.

The proposed conduct will enable TIO to promote the services of qualified repairers where an insured does not have a repairer of choice - ensuring every customer is provided with the same high level of service and quality repairs.

If an insured elects to acquire repair services from a Participating Repairer, the insured will be entitled to the benefits (described above in paragraph 2(b)) in relation to the Products.

If an insured elects not to acquire repair services from a Participating Repairer, the insured will not be able to take advantage of the benefits (described above in paragraph 2(b)) in relation to the Products.

The conduct will be of benefit to the public as it will:

- encourage high quality repairs to motor vehicles, repairs which TIO will stand behind for the period that:
  - the insured, or an immediate family member, owns the vehicle;  
and
  - the vehicle is insured with TIO;
- standardise and improve the quality of repair workmanship;

- provide insured persons with confidence that repairs made to their vehicle are undertaken by repairers that meet minimum standards and that are party to service level agreements with TIO;
- provide more consistent repair quality processes and provide customers with clarity around TIO's quality standards;
- improve efficiencies in TIO's operations, increasing TIO's competitiveness in offering motor vehicle insurance;
- enhance motor vehicle safety through consistently high quality repairs; and
- promote competition in the relevant markets by encouraging TIO's competitors to offer similar benefits.

TIO submits that the benefits of the proposed conduct will outweigh any possible detriment considered to arise from the proposed conduct.

- (b) Facts and evidence relied upon in support of these claims:

Please refer to paragraph (a) above.

The TIO Repair Model is built on the foundations of Quality, Customer and Relationships. TIO is committed to delivering high levels of customer service and to work with repairers who share this commitment to perform quality repairs in a timely and professional manner.

TIO is also a signatory to the Motor Vehicle Insurance and Repair Industry Code of Conduct which specifies the standards of fair-trading, process and transparency in the relationships between repairers and insurers.

## 5. Market definition

Provide a description of the market(s) in which the goods or services described at 2 (a) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions): *(Refer to direction 8)*

The relevant market likely to be affected is the market for comprehensive motor vehicle insurance in Australia. TIO considers this to be a national market. In 2007, the ACCC stated that it considers there were separate State and Territory based markets, in a transition to a single national market.<sup>1</sup> We submit that the motor vehicle insurance industry now operates at a national level.

TIO does not supply motor vehicle insurance to persons ordinarily residing outside of the Northern Territory, and therefore the Products are available in the Northern Territory only. However, similar motor vehicle insurance products can be purchased by persons seeking to insure their motor vehicle

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<sup>1</sup> See Public Competition Assessment: Suncorp Metway Limited-proposed acquisition of Promina Group Limited (12 January 2007), paragraphs 26, 30, and 32.

in the Northern Territory from several of TIO's competitors. These firms predominantly operate nationally.

There are a broad range of substitutes for the relevant Products. Currently most major insurers operate in the Northern Territory, including Suncorp Insurance, QBE Insurance, CGU Insurance and Allianz Insurance.

Another potentially affected market is the market for motor vehicle repair services. This market is the subject of the Motor Vehicle Insurance and Repair Industry Code of Conduct, to which TIO is a signatory. As noted below, the proposed conduct is not exclusionary, as any motor vehicle repairer that meets minimum quality standards will be entitled to participate.

## **6. Public detriments**

- (a) Detriments to the public resulting or likely to result from the notification, in particular the likely effect of the notified conduct on the prices of the goods or services described at 2 (a) above and the prices of goods or services in other affected markets:  
(Refer to direction 9)

TIO is unaware of any detriment to the public that is likely to result from the notified conduct, particularly given that:

- insured persons will remain entitled to nominate their own motor vehicle repairer;
- there is no premium discrimination involved in TIO's proposed conduct. TIO does not propose to offer a discount on an insurance premium on condition that the insured will obtain repair services from Participating Repairers;
- the proposed conduct is not exclusionary, i.e. any motor vehicle repairer that meets minimum quality standards will be entitled to participate;
- in fact, there is capability to allow all motor vehicle repairers to be part of the TIO Repair Model;
- there are no geographical restrictions imposed on Participating Repairers, and there are no restrictions on the number of Participating Repairers that are able to join the TIO Repair Model;
- as such, an insured will have a significant amount of choice, should they wish to engage a Participating Repairer (i.e. there may be more than one Participating Repairer in the relevant geographical area);
- the ultimate choice of repairer remains with the insured; and
- the cost of the Products will not increase as a result of the arrangements; and
- the purpose and effect of the proposed conduct is to ensure high quality and timely repairs to motor vehicles.

(b) Facts and evidence relevant to these detriments:

Attached to this notification is a copy of the Product Disclosure Statement for each of the Products, namely:

- Territory Car Insurance (in respect of TIO's Private Motor Policy); and
- Territory Commercial Vehicle Insurance (in respect of TIO's Commercial Motor Policy and Fleet Motor Policy).

**7. Further information**

(a) Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:

Lisa Jarrett  
Partner  
Minter Ellison  
Level 10, 25 Grenfell Street  
ADELAIDE SA 5000  
  
Telephone: (08) 8233 5501  
Email: lisa.jarrett@minterellison.com

**Dated 5 November 2014**

Signed by/on behalf of the applicant

  
.....  
(Signature)

..Lisa Jarrett.....  
(Full Name)

..Minter Ellison Lawyers.....  
(Organisation)

..Partner.....  
(Position in Organisation)

## **DIRECTIONS**

1. In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission to take into account in assessing their notification.

Where there is insufficient space on this form to furnish the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the applicant.

2. If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in item 1 (a), not the name of the person signing the notice, and the notice is to be signed by a person authorised by the corporation to do so.
3. Describe that part of the business of the person giving the notice in the course of the which the conduct is engaged in.
4. If particulars of a condition or of a reason of the type referred to in section 47 of the *Competition and Consumer Act 2010* have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
5. Describe the business or consumers likely to be affected by the conduct.
6. State an estimate of the highest number of persons with whom the entity giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.
7. Provide details of those public benefits claimed to result or to be likely to result from the proposed conduct including quantification of those benefits where possible.
8. Provide details of the market(s) likely to be affected by the notified conduct, in particular having regard to goods or services that may be substitutes for the good or service that is the subject matter of the notification.
9. Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.



# Territory Car Insurance

## Territory Car Insurance

Product Disclosure  
Statement and Policy  
1 May 2013





Our combined Product Disclosure Statement (PDS) and Policy has been designed to help you get the most out of your insurance cover and to help you compare and make an informed choice.

When you take out an insurance policy with us, the cover we have agreed to provide you is set out on your current Certificate of Insurance and described in this booklet. Together they make up the terms and conditions of your insurance contract with us.

To ensure you have all the protection you need, please read through this booklet carefully. We have written it in plain language to help you understand the insurance cover you have chosen.

Please read your documents carefully and store them together in a safe place for easy reference.

If you don't fully understand what your insurance contract covers, or your rights or obligations, please contact us. Our contact details are located on the back of this booklet.

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## About this Insurance

We have designed this product for Territorians to help build community resilience. Being resilient is being prepared and that starts with the right insurance cover to protect your assets.

### Waiting Period for Cyclone, Flood and Storm Surge

TIO operates in an area of Australia that is subject to catastrophic natural events. It is necessary for us to apply a waiting period of 72 hours for loss or damage that occurs from cyclone, flood or storm surge.

### What is Territory Car Insurance?

Territory Car Insurance is a market value policy and is our all-inclusive vehicle insurance product which can protect your:

- car
- motorcycle
- caravan
- trailer, and
- horse float

against accidental loss or damage and legal liability, whilst being used for private purposes.

### Choosing the type of insurance

You should carefully consider the type of insurance cover that suits your needs. This product gives you the choice of four different types of cover.

We recommend you read through the booklet carefully and use the table of contents and topic index to help you find what you are looking for.

Choosing the level of cover that is right for you is an important decision. If you are unsure, or need further information, or just need to ask a few questions please contact us. Our contact details are located on the back of this booklet.

### Significant Features and Benefits of this Product

The following table summarises the insurance cover, features and benefits and optional covers available under this product.

This table is a guide only. We recommend you read all Sections of this booklet carefully for full details of cover, terms, conditions, exclusions and limits which apply to your policy.

| Summary of Features and Benefits     | Comprehensive | Third Party Only | Third Party Fire & Theft | Fire & Theft Only | See page   |
|--------------------------------------|---------------|------------------|--------------------------|-------------------|------------|
| Accidental loss or damage cover      | ✓             | ✗                | ✗                        | ✗                 | 5          |
| Australia wide cover                 | ✓             | ✓                | ✓                        | ✓                 | 29         |
| Bodily injury                        | ✗             | ✗                | ✗                        | ✗                 | 4          |
| Business use                         | ✓★            | ✗                | ✗                        | ✗                 | 17         |
| Emergency repairs                    | ✓             | ✗                | ✗                        | ✗                 | 9          |
| Emergency travel & accommodation     | ✓             | ✗                | ✗                        | ✗                 | 10         |
| Free caravan or garden trailer cover | ✓             | ✗                | ✗                        | ✗                 | 10         |
| Hire car after theft                 | ✓             | ✗                | ✓                        | ✓                 | 11         |
| Legal costs                          | ✓             | ✓                | ✗                        | ✗                 | 12         |
| Legal liability                      | ✓             | ✓                | ✓                        | ✗                 | 5, 6, 7, 8 |
| New Vehicle replacement              | ✓             | ✗                | ✗                        | ✗                 | 12         |
| No claim bonus protection            | ✓★            | ✗                | ✗                        | ✗                 | 13         |
| Personal property                    | ✓★            | ✗                | ✗                        | ✗                 | 14         |
| Quality repair guarantee             | ✓             | ✓                | ✓                        | ✓                 | 37         |
| Towing                               | ✓             | ✗                | ✓                        | ✓                 | 14         |
| Restricted drivers                   | ✓★            | ✗                | ✗                        | ✗                 | 17         |
| Transit cover                        | ✓             | ✗                | ✓                        | ✓                 | 14         |
| Uninsured motorists                  | ✗             | ✓#               | ✓#                       | ✗                 | 15         |
| Windscreen cover                     | ✓             | ✗                | ✗                        | ✗                 | 15         |

✓ Covered ✗ Not covered ★ These features do not apply to motorcycles, caravans, trailers and horse floats # These features do not apply to caravans, trailers and horse floats

## What this Policy Covers

Territory Car Insurance is our all-inclusive vehicle insurance product which can protect your vehicle against accidental damage or loss and legal liability.

Compulsory Third Party Insurance (CTPI) cover for bodily injury is not included in this product.

CTPI is an automatic inclusion for all vehicles with a current Northern Territory compliance plate. Bodily injuries sustained in the Northern Territory are supported by a scheme, the Motor Accidents Compensation Act (MACA) and is a no fault scheme.

When you take out your policy you have the following covers to choose from:

- **Comprehensive Cover**  
Section 1 of this policy applies, see page 5
- **Third Party Only Cover**  
Section 2 of this policy applies, see page 6
- **Third Party Fire & Theft Cover**  
Section 3 of this policy applies, see page 7
- **Fire & Theft Only Cover**  
Section 4 of this policy applies, see page 8

Your Certificate of Insurance will specify which type of cover you have selected for your vehicle.

## Section 1 – Comprehensive Cover

This section applies if your Certificate of Insurance specifies you have comprehensive cover on your vehicle.

### What is covered

#### Part A – Your Vehicle

We will cover you against accidental loss (including theft) or accidental damage occurring to your vehicle, during the period of insurance.

#### Part B – Legal Liability

We will cover you for your legal liability to pay for damage to property as a result of an accident caused by the use of:

- your vehicle or substitute vehicle
- a caravan, trailer or horse float whilst it is attached to (or becomes accidentally detached from) your car or substitute vehicle.

However, no cover is provided for loss or damage caused to the substitute car, caravan, trailer or horse float (other than for the covered provided under Section 5 Additional Cover, Free Caravan Trailer Cover). See page 10 of this booklet for more information.

We will also give legal liability cover to:

- any other person who is driving the vehicle with your permission, provided that person:
  - was not covered by another insurance policy at the relevant time; and
  - has not been refused motor vehicle insurance within the last 12 months.
- passengers who are in or on your vehicle with your permission, including when they are getting on, in or out of your vehicle, and
- your employer, principal or partner for legal liability incurred in connection with you using your vehicle or any substitute vehicle.

The total cover for any one accident is specified on your Certificate of Insurance.

## Section 2 – Third Party Only Cover

This section applies if your Certificate of Insurance specifies you have third party only cover on your vehicle.

### What is covered

#### Part A – Your Vehicle

There is no cover for loss or damage to your vehicle during the period of insurance, except for the limited cover detailed under Section 5 Additional Cover, Uninsured Motorists. See page 17 of this booklet for more information.

#### Part B – Legal Liability

We will cover you for your legal liability to pay for damage to property as a result of an accident caused by the use of:

- your vehicle or substitute vehicle
- a caravan, trailer or horse float whilst it is attached to (or becomes accidentally detached from) your car or substitute vehicle.

However, no cover is provided for loss or damage caused to the substitute car, caravan, trailer or horse float (other than for the covered provided under Section 5 Additional Cover, Free Caravan Trailer Cover). See page 10 of this booklet for more information.

We will also give legal liability cover to:

- any other person who is driving the vehicle with your permission, provided that person:
  - was not covered by another insurance policy at the relevant time; and
  - has not been refused motor vehicle insurance within the last 12 months.
- passengers who are in or on your vehicle with your permission, including when they are getting on, in or out of your vehicle, and
- your employer, principal or partner for legal liability incurred in connection with you using your vehicle or any substitute vehicle.

The total cover for any one accident is specified on your Certificate of Insurance.



## Section 3 – Third Party Fire & Theft Cover

This section applies if your Certificate of Insurance specifies you have third party fire & theft cover on your vehicle.

### What is covered

#### Part A – Your Vehicle

We will pay for damage to your vehicle caused by fire or theft or attempted theft during the period of insurance.

#### Part B – Legal Liability

We will cover you for your legal liability to pay for damage to property as a result of an accident caused by the use of:

- your vehicle or substitute vehicle
- a caravan, trailer or horse float whilst it is attached to (or becomes accidentally detached from) your car or substitute vehicle.

However, no cover is provided for loss or damage caused to the substitute car, caravan, trailer or horse float (other than for the covered provided under Section 5 Additional Cover, Free Caravan Trailer Cover). See page 10 of this booklet for more information.

We will also give legal liability cover to:

- any other person who is driving the vehicle with your permission provided that person:
  - was not covered by another insurance policy at the relevant time; and
  - has not been refused motor vehicle insurance within the last 12 months.
- passengers who are in or on your vehicle with your permission, including when they are getting on, in or out of your vehicle, and
- your employer, principal or partner for legal liability incurred in connection with you using your vehicle or any substitute vehicle.

The total cover for any one accident is specified on your Certificate of Insurance.

## Section 4 – Fire & Theft Only Cover

This section applies if your Certificate of Insurance specifies you have fire & theft only cover on your vehicle.

### What is covered

#### Part A – Your Vehicle

We will pay for damage to your vehicle caused by fire or theft or attempted theft during the period of insurance.

#### Part B – Legal Liability

There is no cover for legal liability.

## Section 5 - Additional Cover

This policy includes a range of benefits we refer to as Additional Cover. These benefits are listed on pages 9 to 15 of this booklet.

The Additional Cover provided depends on whether you have comprehensive, third party only, third party fire & theft or fire & theft cover.

Any cover we provide is subject to exclusions. For exclusions to this cover see Section 7 Exclusions, What is Not Covered starting on page 18 of this booklet.

### Artwork/Signage or Signwriting

- ✓ Comprehensive

We will pay up to \$500 to repair or replace damage to artwork, signage or signwriting on your vehicle caused by an accident we have agreed to cover under this policy.

### Baby Capsules and Child Seats

- ✓ Comprehensive

If your baby capsule or child seats are damaged as a result of an accident we have agreed to cover under this policy which has damaged your vehicle, or are stolen from your vehicle we will cover their replacement costs.

### Emergency Repairs

- ✓ Comprehensive

We will pay up to \$500 for emergency repairs to your vehicle after an accident we have agreed to cover under this policy to make it safe for you to continue on your journey to your planned destination.

To be covered for this benefit, the place of accident must be more than 100km from where you normally garage your vehicle.

## Emergency Travel and Accommodation

### ✓ Comprehensive

If your vehicle is damaged in an accident we have agreed to cover under this policy that happens more than 100 kilometres from your residential garaging address and your vehicle cannot be driven or used, we will cover the cost of:

- transportation for you or your passengers to your residential garaging address or destination, or
- temporary accommodation for you and your passengers up to \$500 in total.

## Free Caravan or Garden Trailer Cover

### ✓ Comprehensive

Where you have not otherwise insured your caravan or garden trailer we will:

- pay up to \$500 for accidental damage to your caravan whilst being towed by your car, and
- pay up to \$1,000 if your two or four wheeled garden trailer, not being a trailer used for your business, is damaged in an accident or stolen.

## Helmets and Protective Clothing

### ✓ Comprehensive

If your helmet or any other protective clothing is damaged in an accident we have agreed to cover under this policy, or if your helmet and protective clothing has been stolen at the same time your motorcycle has been stolen, we will pay for the cost to replace them, up to \$500 in total for these items.

## Hire Car after Theft

- ✓ Comprehensive
- ✓ Third Party Fire & Theft
- ✓ Fire & Theft

If your vehicle is stolen and not recovered in the first three days following the theft, we will pay the reasonable cost incurred by you to hire a vehicle of a similar type to your own.

We will pay up to a maximum of \$1,500 and the earliest of:

- your stolen vehicle has been returned undamaged, or your vehicle is found damaged but driveable, or
- your vehicle is recovered and repaired, or
- your claim is settled, or
- a maximum of 14 days' hire

We will not pay for:

- the insurance cover on the hire vehicle, or
- running and incidental costs, or
- any excess payment required in the event of an accident.

**If you withdraw your claim or we refuse to accept it, you may be required to refund us any payments we have already made for the hire of the vehicle.**

## Legal Costs

- ✓ Comprehensive
- ✓ Third Party Only
- ✓ Third Party Fire & Theft

If legal action arises from an accident, accidental loss, accidental damage or liability we have agreed to cover under this policy, we will pay all legal costs incurred with our written consent or which may be ordered to be paid for any legal action we have prosecuted or defended in your name.

## New Vehicle Replacement

- ✓ Comprehensive

This benefit does not apply to:

- motorcycles
- caravans
- trailers, and
- horse floats

This benefit applies if we consider your vehicle to be a total loss (including stolen and not recovered). Providing you are the original owner and your vehicle is within two years of its original registration, we will at our option:

- replace your vehicle with a new vehicle that is available in Australia, or
- pay you the market value of your vehicle.

Please refer to How we Pay Claims. If your vehicle is a total loss see:

- Comprehensive Cover, page 34
- Third Party Fire & Theft cover, page 35
- Uninsured Motorists, page 35

If we choose to replace your vehicle, we will:

- replace your vehicle with a new vehicle of the same make, model, engine size and equipment
- replace any modification options or accessories that are specified on your Certificate of Insurance
- obtain agreement for any credit provider specified on your Current Certificate of Insurance
- pay the first 12 months registration on the replacement vehicle, and
- pay the stamp duty and associated costs.

If we choose to replace your vehicle, we will not guarantee the paint type and paint colour.

## No Claim Bonus

### ✓ Comprehensive

A no claim bonus is a reward for good driving by giving you a discount on your premium for each year that you do not make an at fault claim with us. We will reduce your premium in this way until you reach the maximum no claim bonus we offer.

If you make an at fault claim your no claim bonus will be reduced when you renew your policy.

### **If your vehicle is involved in an accident we will NOT reduce your no claim bonus if:**

- the driver or the person in charge of your vehicle was not at fault, and
- you can adequately identify the person responsible.

For this concession to apply, you must be able to supply the name and residential address of the person at fault.

This policy automatically provides cover for no claim bonus protection, once you have reached our maximum no claim bonus limit.

### **This concession does not apply to caravans, motorcycles, trailers or horse floats.**

If you are receiving our maximum no claim bonus limit, you may make one at fault claim per twelve month insurance policy period, without affecting your no claim bonus.

If you would like to know more information about our no claim bonus scale and the possible effect of making a claim, please contact us. Our contact details can be found on the back of this booklet.

## Personal Property

### ✓ Comprehensive

We will pay up to \$400 if personal property is stolen from inside your vehicle (which must have been locked), or if personal property in your vehicle suffers accidental damage when your vehicle is involved in an accident we have agreed to cover under this policy.

For theft cover for personal property to apply, the loss must be as a result of forcible and violent entry to your vehicle.

No cover is provided for:

- Cash, negotiables, jewellery or tools of trade, or
- Theft or accidental damage to personal property contained in or on any caravan, motorcycle, trailer or horse float.

## Towing

### ✓ Comprehensive

If your vehicle suffers accidental damage that we have agreed to cover under this policy we will pay the reasonable costs to tow or transport your vehicle to the nearest repairer.

However, the cost of collection or transportation of your vehicle following repairs is not covered.

### ✓ Third Party Fire & Theft

### ✓ Fire & Theft Only

If your vehicle suffers damage due to fire or theft we will pay the reasonable costs to tow or transport your vehicle to the nearest repairer.

However, the cost of collection or transportation of your vehicle following repairs is not covered.

## Transit Cover

### ✓ Comprehensive

We will cover your vehicle whilst it is being transported by road, rail, inland waterway, ship or air between any places in Australia and whilst being loaded and unloaded for the journey.



- ✓ Third Party Fire & Theft
- ✓ Fire & Theft Only

We will cover your vehicle for damage caused by fire or theft whilst it is being transported by road, rail, inland waterway, ship or air between any places in Australia and whilst being loaded and unloaded for the journey.

### Uninsured Motorists

- ✓ Third Party Only
- ✓ Third Party Fire & Theft

We will cover accidental damage to your vehicle arising from a collision with another vehicle up to \$5,000 for the cost of repairs or the market value, whichever amount is the lesser.

This cover only applies when:

- the driver of your vehicle was not at fault (as determined by us), and
- you can give us the registration number of the other vehicle and name and residential address of its driver, and
- the other vehicle was not covered by an insurance contract at the time of the accident and you can give us evidence of this.

**This additional cover does not apply to insurance cover on caravans, trailers or horse floats.**

### Windscreen Cover

- ✓ Comprehensive

Where your windscreen is damaged you may claim a maximum of:

- two windscreen repairs without any payment of any excess, and
- one windscreen replacement without any payment of excess.

This benefit applies for each twelve month period of insurance and is limited to the front windscreen only. A claim under this additional cover will not affect your no claim bonus entitlement.

## Section 6 – Optional Cover

You will need to apply for these covers and depending on which option(s) you have chosen you may receive a premium discount or be required to pay an additional premium. Any options that we agree to add to your policy will be specified on your Certificate of Insurance.

Any cover we provide is subject to exclusions. For exclusions to this cover see Section 7 Exclusions, What is Not Covered starting on page 18 of this booklet.

**These options are not available when your policy is for a motorcycle, caravan, trailer or horse float.**

### Hire Car After Accident

✓ Comprehensive

If your Certificate of Insurance specifies the Hire Car After Accident option and your vehicle cannot be driven, or it is unsafe to drive as a result of an accident we have agreed to cover under this policy, we will pay up to a maximum of \$1,500 and the earliest of:

- your vehicle is repaired, or
- we pay your claim or we consider it to be a total loss, or
- a maximum of 21 days hire.

#### **You will need to:**

- arrange and pay for the hire car first
- pay for the running and incidental costs
- pay for any insurance or any excess payment required in the event of an accident, and
- provide us with the hire car agreement and receipt of payment of the hire car.

This optional cover does not apply if the accident is theft or attempted theft. For this type of cover see Section 5 Additional Cover, Hire Car after Theft, page 11.

## Restricted Drivers Option

### ✓ Comprehensive

If your Certificate of Insurance specifies the Restricted Drivers Option, the cover provided by this policy will **not apply** if you give permission for any person (including you and/or a Learner Driver) under the age of 25 years old or more than 25 years old, but licensed for less than 2 years, to drive your vehicle.

However, cover will apply if:

- you prove your vehicle was being used in a grave emergency, or
- the excluded driver was an employee of a service station, garage or parking station and your car was being driven in the course of this driver's employment.

This condition still applies even though we specify age and inexperienced driver excesses on your Certificate of Insurance and those excesses will apply if your vehicle is being driven for the purposes of the points above.

## Business Use Option

### ✓ Comprehensive

When your Certificate of Insurance specifies you have selected the Business Use Option, it is agreed this policy extends to cover your vehicle whilst being used in connection with your occupation or business.

## Section 7 – Exclusions, What is Not Covered

Any cover we provide is subject to the following exclusions. Please read this information carefully as it details accidents and circumstances not covered under this policy.

For what is covered, what is not covered and the amount we will pay, see:

- Section 1 – Comprehensive Cover, page 5
- Section 2 – Third Party Only Cover, page 6
- Section 3 – Third Party Fire & Theft Cover, page 7
- Section 4 – Fire & Theft Cover, page 9
- Section 5 – Additional Cover, page 9
- Section 6 – Optional Cover, page 16

### Part A – Your Vehicle

1. We will not pay for:
  - 1.1. any costs for parts or accessories in excess of the manufacturer's last issued list price, or for air freight or for the cost of fabricating parts or accessories. Where an Australian list price exists we will use this for our basis of calculation
  - 1.2. loss of use of your vehicle, or taxi hire charges incurred, except where you have cover under Section 5 Additional Cover, Hire Car After Theft, page 11 and/or under Section 6 Optional Cover, Hire Car After Accident, page 16.
  - 1.3. depreciation, wear and tear, rust, corrosion, structural failure or mechanical or electrical breakdown or failure. Where breakdown or failure occurs to part of an engine or transmission, this exclusion applies to all damage that results to the engine or transmission
  - 1.4. damage to tyres by application of brakes or by road punctures, cuts or bursts except where such damage occurs as a result of your accident
  - 1.5. loss by theft during or after a fire or accident unless reasonable steps have been taken to ensure the safety of your vehicle
  - 1.6. any additional loss or damage which is caused by the use of your car in a damaged condition

- 1.7. loss or damage to your vehicle resulting from incorrect fuel being utilised, or
- 1.8. loss or damage caused by or arising from a cyclone, flood or storm surge if such loss or damage occurs within 72 hours from cover commencing. In the case of a mid term alteration – no increased limit, cover or sum insured will apply until 72 hours have passed from when the alteration was requested.

## Part B – Legal Liability

2. We will not pay for:
  - 2.1. penalties, fines, punitive, exemplary or liquidated damages
  - 2.2. property belonging to or in the custody of you or any other person entitled to cover under the legal liability section
  - 2.3. claims arising out of a liability you have assumed under a contract, warranty or agreement unless such liability would have attached to you notwithstanding such contract, warranty or agreement, or
  - 2.4. legal costs incurred due to your delay in notifying us immediately of a demand for payment of damages or for the commencement of legal proceedings against you.

## All Sections

3. We will not pay for loss, damage, legal liability or pay benefits:
  - 3.1. if you or the last person driving or in charge (including a person responsible of a Learner Driver as per the terms and conditions of their permit) of your vehicle (or substitute vehicle):
    - were under the influence of alcohol or drugs
    - had more than the concentration of alcohol allowed by law in his or her blood indicated by analysis of breath or blood

- 3.2. if you or the last person driving or in charge (including a person responsible of a Learner Driver as per the terms and conditions of their permit) of your vehicle (or substitute vehicle):
- refused to take test for alcohol or drug content in the breath or blood after the accident, or
  - were convicted of an offence for driving while affected by alcohol or drugs at the time of the accident

However, we will cover you (but not the person driving or in charge of your vehicle) if you can prove you were not aware of the condition or the behaviour of the person in charge of your vehicle.

- 3.3. caused whilst your vehicle or a substitute vehicle is being driven without the driver having the appropriate licence or learner's permit (including the conditions of a learner's permit). We will cover you (but not the person driving or in charge of your vehicle) if you prove your vehicle was being so driven without your knowledge or express or implied consent
- 3.4. caused by the unsafe or unroadworthy condition or use of your vehicle, substitute vehicle or attached trailer, caravan or horse float where you knew or should have known of this condition
- 3.5. caused by overloading your vehicle, or substitute vehicle or attached trailer, caravan or horse float beyond the designed carrying capacity
- 3.6. caused whilst your vehicle or substitute vehicle is engaged in, or being tested or prepared for racing, pacemaking, reliability trails, rallying, speed or hill climbing, or any kind of motor sport
- 3.7. if your car is seized or taken possession of by any person or organisation lawfully entitled to do so
- 3.8. if your vehicle has been entrusted to another party for sale
- 3.9. if your vehicle has been changed from the manufacturer's original specifications unless we have approved of these changes and they are specified on your Certificate of Insurance
- 3.10. if your vehicle is used for any unlawful purpose, unless you prove that such use was without your knowledge, express or implied consent

- 3.11. if your vehicle is being hired out or used for carrying passengers for payment or rewards other than under a private non-profitable pool arrangement
- 3.12. arising from the use of liquid petroleum gas as a source of fuel for your vehicle, unless there has been strict compliance with all related laws and regulations
- 3.13. incurred as a result of radioactivity or the use, existence or escape of any nuclear fuel, nuclear material or waste
- 3.14. sustained as a result for an act of terrorism, or
- 3.15. incurred as a consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power.

## Section 8 - Important Information

Resilience is being prepared for what the Territory can throw at you by protecting your vehicle with the right insurance cover. To obtain the most out of your insurance cover, you must be open and honest with us and adhere to your responsibilities and obligations under this cover.

### Your Duty of Disclosure

When you take out, renew, change or vary your policy or make a claim you have a duty to answer our questions truthfully and provide us with any information that could affect our decision to insure you, or the terms and conditions of your policy. This is called your duty of disclosure.

#### ***What you must tell us when you apply to take out this policy***

When you are applying to take out insurance with us we will ask you specific questions about yourself and other drivers, and questions about your vehicle. When answering these questions, you must be open and honest as you have a duty under the *Insurance Contracts Act 1984* to tell us anything that:

- is known to you, or could reasonably be expected to be known by you, and which would be relevant to our decision to insure, and
- a reasonable person in the circumstances would include in an answer to any question.

Your answers to our questions will help us decide whether to offer insurance cover to you or anyone else under this policy and on what terms.

#### ***Who do our questions apply to***

It is important when you are answering our questions that you are answering them on behalf of yourself and any other person who will be insured or you want covered under this policy.

#### ***If you do not answer our questions this way***

We may be entitled to refuse or reduce the amount we pay you if you make a claim, cancel your policy or do both. If your answers are fraudulent or untruthful we may refuse to pay a claim and treat the policy as if it never existed.



## ***Renewal, variation, reinstatement or extension of your policy***

When you renew, change or reinstate your policy you have the same duty under the *Insurance Contracts Act 1984* to disclose those matters as if you were applying to take out this policy for the first time.

### ***What you do not need to tell us***

Your duty does not require disclosure of anything that:

- reduces the risk to be insured by us
- is of common knowledge
- we know, in the ordinary course of business or that we ought to know, or
- is a matter in respect of which we have indicated that your duty has been waived by us.

If you do not understand your duty of disclosure please contact us. Our contact details can be found on the back of this booklet.

## **Your Obligations under this Policy**

In addition to your duty of disclosure, there are other obligations that you must meet when you are insured with us.

### ***Due Care***

You must at all times take reasonable precautions to ensure the safety and protection of your vehicle and to lock or otherwise secure your vehicle.

### ***Changes***

**You must tell us** as soon as possible of any circumstances that occur, or changes that are intended or made which increase the risk of loss, damage or liability.

Unless we have agreed in writing to cover any changes to the risk and you pay any additional premium required, we will not pay any loss, damage or liability caused by, arising from or relating to the changes.

**You must tell us if**, you purchase a new vehicle to replace the vehicle insured by us.

**We will, at our option**, automatically apply your cover to the 'new' vehicle for a period of 14 days from the date you purchased it

## **Modifications**

If your vehicle has been changed from the manufacturer's original specifications you must tell us and obtain our agreement to insure your vehicle. This means that you must tell us about any non standard accessories, tools and modifications.

No cover applies unless we have approved the changes and specified them on your Certificate of Insurance.

Refer to Section 7 Exclusions, What is Not Covered, exclusion 3.9, page 20.

## **Your obligations when you make a claim**

To help us settle any claim you make, we may ask you to provide us with evidence of ownership, proof of value and a minimum of one repair quote.

You also have an obligation to pay an excess for each and every claim. The excess is specified on your Certificate of Insurance and is the amount you may have to contribute towards each claim made under your policy. See page 32 for more information.

## **What you MUST do**

At your own expense you must:

- take all reasonable steps to minimise further loss, damage or liability
- record the date and time the accident took place and a description of the accident
- immediately inform the Police and other appropriate bodies of any malicious damage, theft attempted theft, fire or accident
- if applicable, record the Police report number. The Police will provide you with this number when you report the accident to them. The Police in the Northern Territory often refer to it as a 'Promis Number'
- immediately inform us of the full details of any loss, damage or claim against you
- list the items that have been damaged/lost or destroyed
- provide all receipts, invoices, quotes, evidence of ownership and/or information we may require to process your claim
- retain damaged property at our request and provide us with the opportunity of inspection if required, and
- comply with all reasonable requests for co-operation by us or our solicitors, assessors and/or investigators.

## What you **MUST NOT** do

- pay or promise to pay for an accident or a claim, or admit responsibility for an accident or a claim
- have your vehicle repaired without being inspected by us (except for Emergency Repairs described on page 9 under Section 5 Additional Cover)
- settle or attempt to settle or defend any claim, and
- make a claim knowing or suspecting it to be false or fraudulent. This applies to anyone acting on your behalf or with your implied permission.

### **If you make a claim, you also give us your rights to claim from anyone else.**

- If you have the right to claim from anyone else for an accident covered by us, you give us the rights to make that claim and to conduct or settle any legal action and to act in your name – you must not do anything which prevents us from doing this and you must give us all of the information and cooperation that we require.

### **If you make a claim, you also give us your rights to defend or settle any legal action brought against you.**

### **If you do not meet your obligations**

We may refuse or reduce a claim, cancel your policy, or do both. If we cancel your policy we will advise you in writing.

## Section 9 - Our Commitment to You

We are committed to help build resilience in the community by raising awareness through community education programs helping people to be more informed and more prepared, providing information and promoting the need for adequate and appropriate insurance protection.

In addition, to protect the interests of our customers we have chosen to comply with the following obligations:

### The Motor Vehicle Insurance and Repair Code of Conduct

The Code is intended to promote transparent, informed, effective and co-operative relationships between smash repairers and insurance companies based on mutual respect and open communication.

We support the Code and are committed to continually reviewing our operations to ensure compliance.

### The General Insurance Code of Practice

The purpose of the Code is to raise service standards, improve the way claims and complaints are handled and to help people to better understand how general insurance works.

#### **The objectives of the Code are:**

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

We have voluntarily adopted the Code developed by the Insurance Council of Australia and are committed to complying with it.

Please contact us if you would like more information about the General Insurance Code of Practice. Our contact details are located on the back of this booklet.

## The Insurance Contracts Act 1984

The *Insurance Contracts Act 1984* governs the law relating to certain contracts of insurance so that a fair balance is struck between the interests of insurers, insureds and other members of the public. Our insurance products are not required to be bound by this Act as we are a statutory authority of the Northern Territory Government.

We have chosen to comply with the obligations which are imposed upon insurers pursuant to the *Insurance Contracts Act 1984* and we are committed to complying with it.

## The Corporations Act 2001

The *Corporations Act 2001* requires financial service providers to have an Australian Financial Services Licence. We are excluded from the requirement to hold a licence as we are a statutory authority of the Northern Territory Government.

We have chosen to comply with the obligations under the *Corporations Act 2001* and we are committed to complying with it.

## Applicable Law

Your insurance contract is governed by the law of the Northern Territory and you submit to the non-exclusive jurisdiction of the Northern Territory courts.

## Our Commitment

### Claims commitment

We will be there when you need us the most. Our Business Continuity plan ensures we have well rehearsed cyclone and flood plans. We will meet any claims covered by your policy fairly and promptly.

### Customer service commitment

We are committed to customer service excellence and we will provide you with the highest standard of service.

### 21 day cooling-off period

If you change your mind, we provide a cooling-off period which lets you cancel your policy within 21 days with a full refund of your premium. However, your cooling-off period no longer applies if you make a claim within this time.

## **Privacy of information**

We are committed to protecting the privacy of your personal information.

Generally, we collect personal information directly from you, however there may be times when we collect personal information from other sources.

Your personal information is collected for the primary purpose of evaluating and administering the proposed insurance or any claim and for the secondary purpose of marketing and directly marketing our products and services to you.

On request in most circumstances you may access your personal information collected and held by us.

The information you give us may be disclosed to others such as reinsurers, professional advisors and loss adjusters.

If you believe your personal information is inaccurate or incomplete, you may request we make any necessary corrections, additions and deletions.

You may also cancel its use for marketing purposes at any time.

Please contact us if you would like more information about our Privacy of Information Policy. Our contact details are located on the back of this booklet.

## Section 10 - Our Agreement with You

Your insurance contract is made up of the following documents:

- your proposal, which may have been verbal
- the PDS
- the policy terms and conditions
- your current Certificate of Insurance, and
- any endorsements or supplementary PDS sent by us to you.

For your insurance cover to apply you must pay us the premium. The dates that cover commences and expires are specified on your Certificate of Insurance we issue to you.

Provided you have paid us the premium on or before the due date we will give you the cover described in the policy terms and conditions and specified on your Certificate of Insurance, for loss, damage or liability occurring within Australia.

### How to Apply for Insurance

If you are taking out a policy with us it's as easy as:

1. contacting us by phone or email or visiting our website [tiofi.com.au](http://tiofi.com.au) or alternatively contacting your insurance advisor, and
2. paying your premium.

### How to Renew your Insurance

1. We will send you an offer to renew your insurance policy before your current policy expires.
2. Review your renewal invitation carefully and check that the details it contains are correct, such as:
  - the names of the people who are insured
  - the details of your vehicle insured including any values shown
  - the details of any accessories and modifications and the amount each item is insured for, and
  - any excess which you must pay towards the cost of a claim.
3. Pay your premium. If you paid last year's premium by instalments, we will continue to deduct payments from your nominated bank account, or credit card.

If you paid last year's premium in one lump sum, we must receive your payment on, or prior to, the due date, otherwise your vehicle will not be insured.

## How to Change your Insurance

1. Contact us or your insurance advisor to change or vary your policy. You will be sent an updated Certificate of Insurance reflecting the changes to your policy that we have agreed to and any special terms or conditions we have applied to your policy.
2. Check your updated Certificate of Insurance to make sure the changes are correct
3. Pay your premium if it has increased. We will tell you if your premium has increased. If you pay by instalments, we will adjust your instalments and continue to deduct the new amount from your nominated bank account. If you pay your premium in one lump sum, we must receive your additional payment to effect the cover.
4. In some cases you will be entitled to a refund. If your premium has decreased we will tell you. If you pay by instalments, we will adjust your instalments and continue to deduct the new amount from your nominated bank account. If you pay your premium in one lump sum, we will refund your premium to your nominated bank account or via a bank cheque.

Refunds of premium do not apply to any policy which has been the subject of a total loss claim. See How we Pay Claims, starting on page 33.

## How to Cancel your Insurance

1. If you want to cancel your insurance policy with us, simply contact us or your insurance advisor.
2. If you pay your premium by instalments we will remove the remaining instalments. If you pay your premium in a lump sum and you cancel your policy before it ends, we will refund you any unused premium.

Refunds of premium do not apply to any policy which has been the subject of a total loss claim. See How we Pay Claims, starting on page 33.

## How we Calculate your Premium

The cost of your insurance is called the premium. We will tell you the premium amount you are required to pay and specify it on your Certificate of Insurance.

The premium may include compulsory government charges, such as GST and stamp duty. Where government charges



apply, we will specify these amounts on your Certificate of Insurance. The amount you are required to pay will vary based on the type of cover you have chosen.

When we calculate your premium, we take into consideration a number of rating factors. These include factors relating to who will drive your vehicle and how it will be used, where the vehicle is garaged, the driving and claims history of the intended drivers and the type of vehicle and age and its accessories and modifications.

Minimum premiums apply. The minimum premium is the smallest amount of premium we will charge you before compulsory government charges are applied.

## Changes in Premium

Premiums are affected by many factors including:

- the cost of claims we have paid to other customers
- the cost of claims we expect to pay in the future
- any changes in government taxes, levies and charges
- the administration costs of the policies
- the cost of claims you have made on your policy.

## How to Pay your Premium

We will tell you when your premium is due. You must pay your premium on or before the due date to activate your insurance policy. If we accept a late payment of premium, your policy may be subjected to a reduced period of liability.

You can pay your premium in one lump sum, or by instalments.

If you pay your premium in one lump sum, you can pay by cash, B-Pay, cheque or credit card.

If you pay your premium by instalments, you can pay from your nominated bank account or by a nominated credit card.

We may cancel your policy if:

- you do not pay your premium
- your cheque or credit card is dishonoured , or
- you pay your premium by instalments and you are more than one month behind.

If you pay your premium by instalments we may refuse to pay a claim if your payment is outstanding for 14 days or more.

## Your Excess

The excess is specified on your Certificate of Insurance and is the amount you may have to contribute towards each claim made under your policy.

**At our option**, we will choose whether the excess is:

- paid by you, to us when we request it
- deducted from the amount we pay you, or
- paid by you, to a supplier or repairer on our request.

We will only provide cover if the amount of the claim is more than the excess payable. You may be required to pay more than one type of excess. Your Certificate of Insurance will specify the amounts of the different types of excess.

| Type                               | Definition  |
|------------------------------------|---|
| <b>Basic Excess</b>                | Payable for each claim you make.  |
| <b>Inexperienced Driver Excess</b> | The inexperienced driver excess is applied when the driver or last person in charge of your vehicle is 25 years of age or older and that driver has had less than two years (licensed) driving experience. <b>This excess is payable in addition to the basic excess.</b>               |
| <b>Age Excess</b>                  | The age excess applies then the driver or the last person in charge of the vehicle is under 25 years of age. <b>This excess is payable in addition to the basic excess.</b>   |
| <b>Flexible Excess</b>             | You may choose to increase your basic excess by selecting a lower premium or decrease your basic excess by selecting a higher premium. If you select flexible excess this will be specified on your Certificate of Insurance as your excess, payable for each and every claim you make. |
| <b>Imposed Excess</b>              | We may require you to pay additional excess; for example depending on your claims history, type of vehicle and its accessories and modifications. The amount, if applicable and terms and conditions of the imposed excess will be specified on your Certificate of Insurance.          |

## How We Pay Claims

### ***Repairing Your Vehicle***

For us to determine the cost to repair your vehicle we will obtain and/or require you to obtain a minimum of one repair quote.

### ***Choosing a repairer***

If we agree to repair your vehicle, you can let us appoint one of our chosen repairers, or you can nominate your own repairer.

#### **If you let us find you a repairer, we will:**

- advise you the name of the repairer and their location to take your vehicle to be repaired, and
- choose the most suitable repair method for the type of damage to your vehicle.

#### **We may:**

- need to inspect your vehicle before authorising repairs. If so, we will tell you where to take your vehicle, or arrange to have your vehicle towed
- require you to contribute to costs if the repairs leave your vehicle in a better condition than before the accident.

#### **We will not:**

- cover any additional costs incurred through extensive delays and difficulties in obtaining parts.

**If you choose to nominate your own repairer, you must obtain our authorisation for the repairs and the cost of the repairs before those repairs are commenced.**

#### **If you choose your own repairer, we will:**

- choose the most suitable repair method for the type of damage to your vehicle, and at our option
  - decide whether to authorise and pay for the fair and reasonable costs of repairs,
  - decide whether to pay you the fair and reasonable cost to repair your vehicle.

When we determine the fair and reasonable costs, we may consider a number of factors, including quotes from other repairers.

**We may:**

- need to inspect your vehicle before authorising repairs. If so, we will tell you where to take your vehicle, or arrange to have your vehicle towed
- require you to contribute to costs if the repairs leave your vehicle in a better condition than before the accident.

**We will not:**

- be responsible for ensuring the availability of the repairer you have chosen, or
- cover any additional costs incurred through extensive delays and difficulties in obtaining parts.

***Parts used when repairing your vehicle***

If we agree to repair your vehicle we will repair your vehicle using new parts or quality non mechanical reusable parts only when this:

- is consistent with the age and condition of the vehicle
- does not affect the safety or the structural integrity of the vehicle
- complies with the vehicle manufacturer's specifications and applicable Australian Design Rules
- does not adversely affect the post repair appearance of the vehicle, and
- does not void or affect the warranty provided by the vehicle manufacturer.

It is however not always possible to ensure that new and genuine parts are used, for example where you have a vehicle that is no longer being manufactured and parts are not available.

Where new and genuine parts cannot be used, we will choose to use non-genuine or recycled parts, but we will contact you and discuss with you the situation before we authorise the use of those parts in the repair process.

***Comprehensive Cover – if your vehicle is a total loss***

If your vehicle is insured for comprehensive cover and we consider your vehicle to be a total loss, for example:

- if your vehicle is stolen and not found, or
- we deem your vehicle damaged beyond economical repair.

**We will:**

- pay you the market value of your vehicle, after deducting:
  - any unpaid premium, and
  - any excesses applicable.

**Or**

- if you are the original owner and your vehicle is within two years of its original registration, we will replace your vehicle, as per Section 5 Additional Cover, New Vehicle Replacement, page 12.

**If we pay a total loss:**

- your policy will be cancelled from the date of the accident and there will be no refund of premium, and
- your vehicle becomes our property.

***Third Party Fire & Theft Cover – if your vehicle is a total loss***

If your vehicle is insured for Third Party Fire and Theft cover and we consider your vehicle to be a total loss, due to fire or theft or attempted theft.

**We will:**

- pay you the market value of your vehicle, after deducting:
  - any unpaid premium, and
  - any excesses applicable.

**If we pay a total loss:**

- your policy will be cancelled from the date of the accident and there will be no refund of premium, and
- your vehicle becomes our property.

***Uninsured Motorists – if your vehicle is a total loss***

If your vehicle is insured for Third Party Only or Third Party Fire and Theft cover and we consider your vehicle to be a total loss under Section 5 Additional Cover, Uninsured Motorists, page 15.

**We will:**

- pay you the market value of your vehicle up to a total value of \$5,000 after deducting:
  - any unpaid premium, and
  - any excesses applicable.

**If we pay a total loss:**

- your policy will be cancelled from the date of the accident and there will be no refund of premium, and
- your vehicle becomes our property.

***Quality Repair Guarantee***

When we authorise the repair of your vehicle under this policy we will guarantee repairs performed by one of our chosen repairers.

Should a defect become apparent in repairs authorised by us and performed by one of our chosen repairers, we will undertake to repair any faulty workmanship or parts at no extra cost to you. This guarantee applies for as long as the vehicle is owned by you or a member of your family and is kept insured with us.

**Paint work is only guaranteed for 3 years.*****Fraudulent Claims***

If you or anyone acting on your behalf or with your implied permission should make a claim knowing or expecting it to be false or fraudulent, payment of that claim may be refused.

***Other Insurance***

If, at that time of incurring any liability, loss or damage we have agreed to cover under this policy there is another insurance policy covering the same vehicle effected by you or person(s) other than you, this policy will only pay any excess beyond the amount which would have been payable under that other insurance policy if this policy not been effected

***Good and Services Tax***

If you are a registered business or required to be registered for GST purposes and entitled to an input tax credit, 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*.

Any payment we make to settle your claim will be considered to be made in full even if the amount we pay has been reduced as described above.

## Claim Settlement Examples

The following are claim settlement examples only to show you how a claim settlement may be calculated based on practical scenarios. Any actual claim settlement will depend on the facts, circumstances of the claim and if we decide to settle your claim.

These examples do not waive your obligations or responsibilities when making a claim on page 24.

| CLAIM EXAMPLE 1          |  |
|--------------------------|--|
| Cover                    | Comprehensive Cover  |
| Sum insured              | Market Value   |
| Excess                   | \$400  |
| Loss or damage           | Your vehicle is a total loss and more than 2 years old from its original registration date   |
| Vehicle replacement cost | \$40,000   |
| How we settle your claim | <ul style="list-style-type: none"> <li>• We settle your claim for \$39,400 as follows:               <ul style="list-style-type: none"> <li>• We deduct your \$400 excess</li> <li>• We deduct \$200 for outstanding premium owing (refer to page 34 Comprehensive Cover-if your vehicle is a total loss)</li> </ul> </li> </ul> |

**CLAIM EXAMPLE 2**

|                          |  |
|--------------------------|--|
| Cover                    | Comprehensive Cover  |
| Sum insured              | Market Value   |
| Excess                   | \$400  |
| Loss or damage           | Your vehicle is a total loss and more than 2 years old from its original registration date   |
| Vehicle replacement cost | \$40,000   |
| How we settle your claim | <ul style="list-style-type: none"> <li>• We settle your claim for \$29,400 as follows:             <ul style="list-style-type: none"> <li>• We deduct your \$400 excess</li> <li>• We deduct \$200 for outstanding premium owing (refer to page 34 Comprehensive Cover-if your vehicle is a total loss)</li> <li>• We pay your finance company \$10,000 outstanding on your loan to pay out your loan</li> </ul> </li> </ul> |

**CLAIM EXAMPLE 3**

|                          |   |
|--------------------------|---|
| Cover                    | Comprehensive Cover   |
| Sum insured              | Market Value  |
| Excess                   | \$400   |
| Loss or damage           | Your vehicle is a total loss and is within 2 years of its original registration date and you are the original owner of the vehicle  |
| Vehicle replacement cost | New vehicle replacement   |
| How we settle your claim | <ul style="list-style-type: none"> <li>• You pay us your \$400 excess</li> <li>• We obtain agreement from your credit provider specified on your Certificate of Insurance</li> <li>• We replace your vehicle with a new vehicle that is available in Australia</li> <li>• Total settlement value - new replacement vehicle of the same make, model, engine size and equipment. Including the first 12 months registration and stamp duty and associated costs.</li> </ul> |



**CLAIM EXAMPLE 4**

|                          |  |
|--------------------------|--|
| Cover                    | Comprehensive Cover  |
| Sum insured              | Market Value   |
| Excess                   | \$400  |
| Loss or damage           | Your vehicle has been stolen and not recovered within the first 3 days, found 10 days later and can be repaired.   |
| Vehicle repair cost      | \$20,000   |
| How we settle your claim | <ul style="list-style-type: none"> <li>• We settle your claim for \$20,600 as follows:             <ul style="list-style-type: none"> <li>• cost to repair your vehicle \$20,000 less \$400 excess = \$19,600</li> <li>• cost for hire car after theft = \$1,000</li> <li>• Total settlement value \$20,600</li> </ul> </li> </ul> |

**CLAIM EXAMPLE 5**

|                          |   |
|--------------------------|---|
| Cover                    | Third Party Only Cover or Third Party Fire & Theft  |
| Sum insured              | Market Value  |
| Excess                   | \$400   |
| Loss or damage           | Your vehicle suffers damage arising from a collision with another vehicle that was not covered by an insurance contract at the time of the accident and you provide us with evidence of this.   |
| Repair/ Replacement cost | \$6,000   |
| How we settle your claim | <ul style="list-style-type: none"> <li>• We settle your claim for \$5,000 as follows:             <ul style="list-style-type: none"> <li>• cost to repair your vehicle \$6,000</li> <li>• less \$400 excess</li> <li>• Total settlement value \$5,000 (refer to page 15 Uninsured Motorists for cover limit)</li> </ul> </li> </ul> |

## What to do if you have a complaint or a dispute

### 1. Talk with us or your insurance advisor first

If you find a reason to be dissatisfied with any of our products or services we need to know so we can work together to resolve the issue.

If you have a complaint, ask to speak with a TIO staff member in the area concerned as they may be able to resolve the issue on the spot. If it's unable to be resolved, you or your insurance advisor may ask to speak to the manager of the area.

If you are still not satisfied with the decision you can seek a review.

### 2. Seek a review

If you are not satisfied with our initial response to your complaint, you may request that the matter be dealt with by TIO's Complaints Officer through our internal Complaints and Dispute Resolution Process. Our Complaints Officer will conduct an internal review of your dispute.

If the internal review does not resolve the matter to your satisfaction you can seek an external review.

### 3. Seek an external review

If we have been unable to resolve the matter to your satisfaction, you or your insurance advisor will be advised of further options for an external review, which may include referral to the Financial Ombudsman Service (FOS).

This is an independent scheme which provides adjudication of a dispute free of charge for you.

The Financial Ombudsman Service may be contacted by:

- calling 1300 78 08 08
- emailing [info@fos.org.au](mailto:info@fos.org.au), **or**
- visiting their website [fos.org.au](http://fos.org.au)

If you would like more information or wish to receive a copy of TIO's Complaints and Dispute Resolution booklet, please contact us. Our contact details are located on the back of this booklet.

## Words with Special Meaning – applying to this Policy

In this policy unless the contrary intention appears the following expressions shall have the following meaning:

### **accident, accidental loss, accidental damage**

an event which was not expected or intended by you and includes a series of accidents arising out of any one event.

### **act of terrorism**

an act, including but not limited to the use of force or violence and/or the threat thereof, of any persons or group(s) of persons, whether acting alone or on behalf of, or in connection with any organisation(s) or government(s), which from its nature or context is done for, or in connection with political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

### **Australia**

the Commonwealth of Australia, its dependencies and Territories.

### **Certificate of Insurance**

the current schedule or renewal schedule issued by us which forms part of this insurance contract. It will show details of your insurance cover and premium.

### **endorsement**

any written alteration or addition to the terms, conditions and exclusions of your insurance policy.

### **excess**

the amount you must contribute towards each claim made under this insurance policy.

### **market value**

the value of the item at the time of the loss or damage, taking into account its age and condition, determined by the use of market prices, reputable dealers' guides and other experts in this area, relevant to the State or Territory.

**PDS**

Product Disclosure Statement

**period of insurance**

the duration of this policy for the period specified on the Certificate of Insurance, or any subsequent renewal period for which the appropriate premiums are paid.

**private purposes**

when your vehicle is being used:

- for private, social or pleasure purposes, and
- by you in person in connection with your occupation or business other than those listed below:
  - outdoor sales representative
  - commercial traveller
  - insurance assessor, inspector or investigator
  - indent or manufacture's agent
  - stock or station agent or auctioneer
  - land or estate agent or auctioneer
  - collection or delivery, or
  - motor driving instructor

private purposes will not include vehicles weighing over 2 tonne.

**substitute vehicle**

a vehicle similar to your own and being used in place of your own due to your vehicle being out of use because of damage, or mechanical or electrical breakdown or failure. The substitute vehicle must be in your lawful custody but not owned by you.

**supplementary PDS**

a document that updates or adds to the information in this PDS and policy.

**vehicle**

the vehicle described in your Certificate of Insurance, which can include a car, motorcycle, trailer, caravan and horse float that is either registered for the use on a public street or is in a condition that complies with registration requirements. Your vehicle includes:

- standard accessories as fitted by the vehicle manufacturer or similar substitutes for them and non standard accessories, providing your Certificate of Insurance specifies them and they are fixed to your vehicle, and
- standard tools as supplied by the vehicle manufacturer or similar substitutes for them providing they are in or attached to your vehicle.

**we, us, our**

TIO (ACN 106140818).

**windscreen repair**

the repair of your front windscreen using injected resin to reasonably restore the front windscreen to its original strength.

**you, your**

the person(s), company or companies named on the Certificate of Insurance as the insured. It also includes your spouse (legal or de facto) and any member of your family or any other person(s) who permanently resides with you.

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For enquiries  
call 1300 301 833  
visit [tiofi.com.au](http://tiofi.com.au)  
or a TIO branch



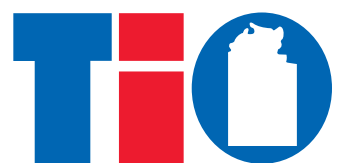


# Territory Commercial Vehicle Insurance

## Territory Commercial Vehicle Insurance

Information is current as at

1 March 2012





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### Product Disclosure Statement

#### The Purpose of this Product Disclosure Statement

This Product Disclosure Statement (PDS) is designed to help you understand this Policy and to decide whether the insurance cover provided meets your requirements. It also enables you to compare it with the other available insurance covers and to make an informed choice about this insurance.

Please also read the Policy Terms and Conditions part of this booklet carefully in conjunction with the Certificate of Insurance to ensure you understand the details of the terms and conditions of this insurance.

#### Insurer

This Policy is underwritten by Territory Insurance Office (TIO). Our address is 24 Mitchell St Darwin. If you require further information about it please contact us on 1300 301 833.

#### Significant Features and Benefits

The Policy offers three types of insurance covers, the features and benefits of each are listed below:

##### Comprehensive

This option provides you with cover for:

- the accidental damage to, theft or attempted theft of your vehicle, within Australia, during the period of insurance as set out under Section 1 – Comprehensive
- a range of additional benefits – as set out under the Additional Benefits of Section 1 commencing on page 8
- your legal liability to pay for damage to the property of others caused by or arising out of the use of your vehicle as set out under Section 3 – Legal Liability

##### Fire and Theft and Legal Liability

This option provides you with cover for:

- your vehicle if it is damaged by fire, lightning, theft or attempted theft, within Australia, during the period of insurance as set out under Section 2 – Fire and Theft
- an additional benefit – set out under Section 2 on page 11
- your legal liability cover – to pay for damage to the property of others caused by or arising out of the use of your vehicle as set out under Section 3 – Legal Liability

##### Legal Liability

This option provides you cover for:

- your legal liability to pay for damage to the property of others caused by or arising out of the use of your vehicle, within Australia, during the period of insurance as set out under Section 3 – Legal Liability
- an event where an uninsured motorist damage your vehicle, subject to conditions set out on page 12

#### Significant Risks

You need to be aware of the risks associated with this insurance. Generally speaking the risks are that:

- you will not be covered for certain events or circumstances
- you will fail to renew this Policy.

The Policy Terms and Conditions part of the booklet sets out what you are insured for and those circumstances when you are not insured. Please read the Specific Exclusions which apply to the particular cover type you select, also the General Exclusions and General Conditions applying to all Sections commencing on page 15.

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

If you do not adequately insure your vehicles you may have to bear the uninsured portion of any loss or damage or liability.

#### The Cost of your Insurance

The cost of your insurance is called the premium. We will tell you the premium amount you are required to pay and show it on your Certificate of Insurance.

In addition to your premium you will have to pay government charges such as GST and stamp duty. We will show the amount payable for government charges on your Certificate of Insurance.

The amount you will be required to pay is based on the type of cover you have chosen. When we calculate your premium we take into consideration a number of rating factors including:

- who will drive the vehicle, their driving experience, driving history and insurance claims history, and
- the type of vehicle, its accessories and how it will be used.

#### Excesses – the amount you pay towards a claim

An excess is the amount you are required to pay in the event of a claim. An excess will apply to each and every claim made under the Policy unless we agree you do not have to pay this amount.

The amount of an excess will vary dependant on the type of vehicle you wish to insure and the driving experience of the drivers. In some cases you may also be required to pay more than one excess. The different types of excess which may apply to your claim are listed on page 13.

### Paying your Premium

We will tell you when payment is due. You must pay us the premium on or before the due date to activate this insurance. If we do not receive your premium by the due date or your payment is dishonoured this Policy will not operate and there will be no cover.

If you pay your premium by instalments the dates your instalments are due will be shown on the Certificate of Insurance. If you do not pay an instalment by the due date, we may:

- refuse to pay your claim if the payment is outstanding for fourteen (14) days or more
- cancel your insurance if the payment is outstanding for a month or more.

The date your Policy expires is shown on your Certificate of Insurance. If renewal is invited you must pay us the premium and charges on or before the expiry date or your insurance will not renew.

### Your Duty of Disclosure

#### What you must tell us

You have a duty under the *Insurance Contracts Act 1984* to tell us everything you know or should know which could affect our decision to insure you and/or the terms on which we insure you.

You must do this when you apply for a Policy, when you renew your Policy or when you change or reinstate your Policy. When we ask you specific questions you must answer these questions truthfully and in a way that a reasonable person in the circumstances would answer them.

#### Who needs to tell us

It is important that every person who is to be insured by the Policy answers the questions in this way.

#### What you do not need to tell us

You do not need to tell us about any matter:

- that diminishes the risk to be undertaken by us
- that is of common knowledge
- that we know or in the ordinary course of our business ought to know
- when we have waived your obligation of compliance with your duty.

### What happens if you do not tell us

If you do not comply with your duty of disclosure, we may be entitled to refuse to pay or to reduce the amount we pay in respect of a claim or we may cancel your Policy.

If your non-disclosure is fraudulent or your answers untruthful, we may refuse to pay the claim and treat the Policy as if it never existed.

If you do not understand your duty of disclosure please contact us.

### Privacy of your Information

We collect your personal information directly from you for the primary purpose of evaluating and administering your Policy or processing any claim and for the secondary purpose of marketing our products and services to you.

On request in most circumstances you may access your personal information which has been collected and held by TIO.

You may also cancel its use for marketing purposes at any time by contacting us.

We treat your personal information with care. The information may be disclosed to others such as our reinsurers, professional advisers and loss adjusters or as permitted or required by law.

If you believe your personal information is inaccurate or incomplete, you may request us to make the necessary corrections, additions or deletions.

### Goods and Services Tax

If you:

- are not entitled to an Input Tax Credit (ITC) on your policy premium, then all the sums insured and limits of liability stated in your Policy are Goods and Services Tax (GST) inclusive (unless the Policy states otherwise)
- are entitled to an ITC on all or part of the policy premium you paid, then the sums insured and limits of liability stated on your Policy are exclusive of GST to the extent of your ITC.

The amount we pay for any claim will take into account any ITC that you are or would have been entitled to receive for the GST that is included in the cost of repairing or replacing any insured property or the GST included in any insured expense.

If the sums insured or limits of liability are not sufficient to cover your loss, we will only pay GST (less any ITC), that relates to our proportion of your loss.

### 21 Day Cooling-Off Period

We offer you a cooling-off period of twenty one (21) days to consider the information contained in this Policy and on your Certificate of Insurance, to help you determine whether the insurance cover meets your needs.

If you are not completely satisfied with the insurance cover you have chosen, you can cancel this Policy.

To do this you must advise us in writing within twenty one (21) days from the date your Policy commenced. You will receive a full refund of the premium paid provided nothing has occurred for which a claim is payable under this Policy.

### Complaints and Dispute Resolution

We do everything to provide you with quality service. However we recognise there may be an aspect of our service or a decision we have made that you wish to query or draw to our attention.

If you have a complaint or disagree with a decision we have made or anyone representing us has made, we need to know so we can work together to resolve the issue.

Please contact us or the intermediary who issued your Policy. Our staff may be able to resolve the issue on the spot and if they are unable to resolve your concerns they will refer it to our Internal Dispute Resolution process. Our Dispute Resolution Officer will investigate your complaint and try to reach a satisfactory outcome.

If we are unable to resolve the matter to your satisfaction you may wish to refer it to an independent alternate dispute resolution body the Financial Ombudsman Service, a totally independent and impartial body who provides a free service. They will tell you if the matter falls within their jurisdiction. You need to do this within two (2) years of receiving our final decision.

For information on this service ask us for a brochure or contact the Financial Ombudsman Service direct by telephone on 1300 780 808 or by visiting the website [fos.org.au](http://fos.org.au).

### General Insurance Code of Practice

TIO has adopted the General Insurance Code of Practice developed by the Insurance Council of Australia. The Code:

- promotes more informed relations between insurers and their customers
- improves consumer confidence in the general insurance industry
- provides better mechanisms for the resolution of complaints and disputes between insurers and their customers
- commits insurers and the professionals they rely upon to higher standards of service.

Brochures on the General Insurance Code of Practice are available from our TIO branches or by contacting the Insurance Council on telephone (02) 9253 5100 or via their website [codeofpractice.com.au](http://codeofpractice.com.au)

### Our Obligations under the Insurance Contracts Act

The *Insurance Contracts Act 1984* governs the law relating to certain contracts of insurance so that a fair balance is struck between the interests of insurers, insureds and other members of the public. TIO's insurance products are not required to be bound by the provisions of this Act as we are a statutory authority of the Northern Territory Government.

However, in the interests of protecting our customers we have chosen to comply with the obligations which are imposed upon insurers under the *Insurance Contracts Act 1984*.

### Our Obligations under the Corporations Act

The *Corporations Act 2001* requires financial service providers to have an Australian Financial Services Licence. TIO is excluded from the requirement to hold a licence as we are a statutory authority of the Northern Territory Government.

However, in the interest of protecting our customers we have chosen to comply with the financial services obligations which are imposed upon insurers under the *Corporations Act 2001*.

## Policy Terms and Conditions

### Words with Special Meaning – applying to this Policy

Some key words and terms used in this Policy have a special meaning. Whenever the following key words or terms are used anywhere in this Policy they will mean what is set out below:

**Accident** – a sudden physical loss, damage or destruction to your vehicle caused by an unexpected event not otherwise excluded

**Certificate of Insurance** – the current schedule which has been numbered and issued on behalf of Territory Insurance Office (TIO). It will show details of your insurance cover and premium

**Excess** – the amount specified on the Certificate of Insurance and elsewhere in the Policy which you must pay towards every claim for each vehicle insured by your Policy

**Gross Vehicle Mass** – the maximum laden mass at which a vehicle should be operated, where “laden mass” means:

1. the tare mass of the vehicle, and
2. the mass of the load on that vehicle borne by the surface on which that vehicle is standing or running

**Market Value** – our assessment of the value of the item at the time of the loss or damage, taking into account its age and condition, determined by reputable dealers guides and other market experts and with reference to trade publications and market price information in this area

**Occupation** – your usual business, trade or profession as advised by you and shown on the Certificate of Insurance

**Personal Property** – items of clothing or personal belongings normally worn or carried by a person

Personal Property does not include:

1. firearms
2. mobile phones, satellite phones, personal music devices, portable GPS units, laptop computers
3. cheques, money, credit cards, negotiable instruments
4. jewellery, watches, furs

**Policy** – comprises this policy booklet, the current Certificate of Insurance, any attachments or endorsements and any future documents issued to you which amend the policy booklet or Certificate of Insurance

**Period of Insurance** – the date from which the cover commenced to the date the cover expired. The dates are shown on the Certificate of Insurance. Unless otherwise stated the Policy expires at 4.00pm local time at the place where you arranged the cover

**Total Loss** – your vehicle will be deemed a total loss when:

1. the estimated cost to repair the vehicle plus the value of any salvage is greater than the vehicle’s market value or sum insured, whichever is the lesser, or
2. the vehicle is stolen and not recovered within a reasonable period of time as determined by us

**Vehicle** – a type of machine on wheels designed for land use only which is intended to be propelled by a means other than manual or animal and including a trailer, caravan or horse float made or intended to be drawn by such machine. The vehicle is described on the Certificate of Insurance or Schedule of Vehicles

**We, us, our** – the Territory Insurance Office (TIO)

**You, your** – the persons or legal entities named on the Certificate of Insurance

### What We Cover

#### Types of Cover

We offer the three types of cover listed below, the one that you select will be shown on the Certificate of Insurance. For each type of cover the Policy operates as follows:

#### Comprehensive

When you select the Comprehensive we provide cover under:

- Section 1 – Comprehensive, plus
- Section 3 – Legal Liability.

#### Fire and Theft and Legal Liability

When you select the Fire and Theft and Legal Liability we provide cover under:

- Section 2 – Fire and Theft, plus
- Section 3 – Legal Liability.

#### Legal Liability

When you select the Legal Liability only we provide cover under:

- Section 3 – Legal Liability.

## Section 1 – Comprehensive

### We Cover

We will cover you against theft, attempted theft, accidental loss or damage to the following as a result of an accident anywhere in Australia during the period of insurance shown on the Certificate of Insurance:

- a. your vehicles as declared to us at the commencement of the period of insurance, plus
- b. the original manufacturer's standard accessories, standard tool kits, standard appliances such as built in radios, CD and/or cassette players, air-conditioners or any gate, strap, chain and tarpaulin attached to or within the vehicle
- c. any permanently fixed equipment, including equipment owned by your employer, provided you have advised us and we agreed to cover them
- d. your legal liability to pay for damage caused by your vehicle to the property of others, as set out in Section 3 – Legal Liability commencing on page 12.

### Limitations of Cover

The maximum we will pay under this Section 1 for any one event is the lesser of the market value of the vehicle or the sum insured shown on the Certificate of Insurance.

### Additional Benefits

The following benefits are provided in addition to and not limited to the sum insured/market value of the vehicle. Unless otherwise stated an excess applies to the following benefits.

#### 1. Completion of Journey Costs

If your vehicle cannot be safely driven after an accident which occurs more than 100 kilometres from where it is normally garaged, we will pay the reasonable cost of:

- a. overnight accommodation for the driver, or
- b. returning the driver to either the point of departure or the intended destination.

The maximum amount we will pay under this benefit is \$2,000.

#### 2. Emergency Repairs

If your vehicle is damaged as a result of an accident that occurs more than 100 kilometres from where it is normally garaged, we will pay up to \$1,000 for the reasonable costs incurred to make the vehicle safe to continue the journey.

#### 3. Locks and Keys

We will pay up to \$2,000 during any one period of insurance for the reasonable cost of replacing key ignition barrels and locks and keys or to recode the locks, if your keys are stolen or damaged, or there are reasonable grounds to believe your keys may have been illegally duplicated.

#### 4. New Vehicle Replacement

Where your vehicle is a sedan, station wagon, utility or goods carrying with a gross vehicle mass of not exceeding two (2) tonnes and

- a. it is deemed by us to be a total loss within twelve (12) months from when it was first registered, and
- b. you purchased it new from the manufacturer or their dealer, and
- c. we have agreed to pay the claim,

we will replace it with a new vehicle of similar make and model or series as long as it is available in Australia. If a replacement vehicle is not available, we will replace your vehicle with the nearest equivalent vehicle. If we cannot agree on a replacement vehicle, we will pay you the amount it would cost to buy a new vehicle the same as, or a near equivalent of, the vehicle which needs replacing.

We will also pay the stamp duty, luxury car tax and dealer charges, but we will not pay for the registration of the vehicle.

#### 5. Personal Property

We will pay up to \$2,000 for loss or damage sustained to personal property belonging to you or your employees not otherwise insured, while contained in the insured vehicle provided:

- a. the property was stolen from your securely locked vehicle, or
- b. the loss or damage occurred as a result of an accident involving your vehicle.

#### 6. Recovery and Redelivery Costs

We will pay up to \$3,000 for recovery and redelivery costs to return your vehicle to its normal garaged address following:

- a. theft of the vehicle provided the situation where the vehicle was found was located more than 100 kilometres from its normal garaged address, or
- b. repairs to the vehicle following loss or damage covered by this Policy, provided the situation where the vehicle was repaired was more located than 100 kilometres from its normal garaged address.



**7. Removal of debris**

We will pay up to \$5,000 for costs and charges necessarily incurred to clean up or remove debris resulting from goods falling off or leaking from your vehicle, following an accident.

**8. Re-Packing Air Bags**

We will pay the necessary costs to return your vehicle's airbags to their pre-deployment position following a vehicle accident which caused the airbag deployment. An excess is not applicable to this benefit.

**9. Replacement of Tyres**

Where we have agreed to pay a claim and any tyre cannot be used as a direct result of damage sustained in the accident giving rise to the claim, we will pay the cost of replacing the damaged tyre with a new tyre of similar make and specification.

This benefit is applicable provided that at the time of the accident the remaining tread on the damaged tyres conforms to legal requirements and it was not a retreaded or recapped tyre.

**10. Sign-writing**

Where your vehicle suffered loss or damage as a result of an accident, we will pay the reasonable costs to replace any sign-writing or artwork forming a permanent part of your vehicle.

**11. Towing Charges**

Where your vehicle suffered damage as a result of an accident, we will pay the reasonable costs necessarily incurred to:

- a. remove the vehicle debris from the accident site
- b. tow the vehicle to the nearest repairer, place of safety or other place approved by us.

**12. Trailers**

We will pay up to the market value or \$1,000, whichever is lesser for the theft of or for damage sustained to any trailer attached to your vehicle at the time of the accident, provided the trailer:

- a. is not otherwise insured
- b. is not a caravan or horse float
- c. is designed to be towed by a sedan, station wagon, utility or goods carrying vehicle not exceeding two (2) tonnes.

We will not pay for loss or damage to any property contained in or on the trailer.

**13. Transportation of Vehicles**

We will cover your vehicle while it is being transported by road, rail, sea or air between any places in Australia and including while it is being loaded or unloaded.

If your vehicle is being transported by sea between Australian ports, we will cover your contribution to General Average and Salvage Charges if a general average is declared.

**14. Windscreen replacement**

Where the front windscreen of your vehicle is damaged, we will pay the cost of repair or replacement without applying an excess.

This benefit applies:

- a. once during each period of insurance, and
- b. if your vehicle is a sedan, station wagon, utility or goods carrying vehicle not exceeding two (2) tonnes gross vehicle mass.

**Optional Benefits**

The following benefits will apply if you selected the cover and it is specified on the Certificate of Insurance.

**1. Loss of Use**

If you have a valid claim under this Policy, we will reimburse you up to \$5,000 for the reasonable costs of hiring a similar vehicle.

This benefit applies during the period while your damaged vehicle cannot be legally and safely used for its intended purpose.

Conditions:

- a. You must organise and pay for the hire vehicle and we will reimburse you upon receipt of the rental agreement and receipts of the hire vehicle.
- b. We are not responsible for ensuring that a hire vehicle is available.
- c. We will not reimburse you for
  - i. any running costs, including the cost of fuel
  - ii. any property damage sustained to the hire vehicle
  - iii. any insurance costs or insurance excesses, or other costs you may become liable for under the hire vehicle rental agreement.

### 2. Payout of Leased Vehicles

If your vehicle which is subject to a lease, hire purchase or any financial agreement through a financial institution directly related to financing of the vehicle purchase:

- a. is declared a total loss, and
- b. the lease payout figure exceeds amount payable under the How We Pay Claims clause,

we will pay the agreed total loss amount plus up to 20% of the market value of your vehicle towards discharge of your obligation under a lease agreement.

Provided that:

- c. we will pay no more than the financial payout figure
- d. this payout amount and the total loss amount combined do not exceed the financial lease payout figure
- e. any payment over the agreed total loss amount does not include any amounts that are in arrears at the time of the loss
- f. any additional payment over and above the agreed total loss amount will include any discounts applicable for full payment of the financial contract.

### 3. Restricted Driver Option

If you select this benefit we will provide you with a premium discount. However we will not cover loss or damage arising from or as a result of an accident if the vehicle was driven by any person (including you) who is:

- a. under twenty five (25) years of age, or
- b. aged twenty five (25) years or over but has held a driver's licence for less than two (2) years,

unless you prove to us:

- c. the vehicle was being driven in a situation of grave emergency
- d. the vehicle was being driven by an employee of a service station, garage or parking station in the course of the driver's employment and the accident occurred within 100 kilometres of the driver's place of employment
- e. the excluded driver was subsequently convicted of theft or illegal use of the vehicle.

## Section 2 – Fire and Theft

### We Cover

We will cover:

- a. your vehicle against theft or attempted theft, or damage caused by fire, explosion or lightning anywhere in Australia during the period of insurance shown on the Certificate of Insurance
- b. your legal liability to pay for damage caused by your vehicle to the property of others as set out in Section 3 – Legal Liability commencing on page 12.

### Limitations of Cover

The maximum we will pay under this Section 2 for any one event is the lesser of the market value of the vehicle or the sum insured shown on the Certificate of Insurance

### Additional Benefit

The following benefit is provided in addition to and not limited to the sum insured/market value of the vehicle. An excess applies to this benefit.

### Transportation of Vehicle

We will cover your vehicle whilst it is being transported by road, rail, sea or air between any places in Australia and including while being loaded or unloaded.

If your vehicle is being transported by sea between Australian ports, we will also pay the General Average and Salvage Charges if a general average is declared.

### Section 3 – Legal Liability

#### We Cover

##### 1. Indemnity to You

We will cover your legal liability to pay for damage to property belonging to others (excludes goods carried) caused by or arising out of an accident in connection with:

- a. the use of your vehicle or any trailer or caravan attached to your vehicle, whether or not it belongs to you
- b. goods falling off your vehicle and including expenses reasonably and necessarily incurred to clean up and remove debris
- c. the operation of loading and unloading of your vehicle but not the collection or delivery of the load to or from your vehicle.

##### 2. Indemnity to Others

We will extend the cover provided in clause 1 above to any person driving, using or in charge of your vehicle with your permission, including when they are getting in, on or out of your vehicle as if they were you, provided they are not entitled to indemnity under any other policy or statute, and provided such cover is not otherwise excluded.

##### 3. Indemnity to Subsidiaries

Where you comprises of more than one company we will extend the cover provided in clause 1 above to each named company or any of its named subsidiaries in the same manner as if that company was the only company named as insured on the Certificate of Insurance.

#### Limitations of Cover

The aggregate limit provided under this Section 3 and including the Additional Benefits in respect of any one accident or series of accidents arising from the one event is the Limit of Liability specified on the Certificate of Insurance.

#### Additional Benefits – within sum insured

We provide the following subject to our liability not being increased beyond the Limit of Liability shown on the Certificate of Insurance.

##### 1. Legal Costs and Expenses

In respect of claims for compensation for which you are entitled to indemnity under this Policy we will pay:

- a. all legal costs and expenses incurred by us
- b. all costs taxed against you in suit any and all interest accruing after judgement has been entered against you until we have paid, tendered or deposited into the court the amount that we are liable to pay

following judgement, provided that, we will not pay any claim or judgement, nor defend any claim or legal action after the Limit of Liability shown on the Certificate of Insurance has been exhausted.

##### 2. Substitute Vehicle

We will cover your liability to pay for damage caused to the property of others arising out of or as a result of an accident caused by your use of a substitute vehicle similar to yours, when your vehicle is not in use due to damage or mechanical or electrical breakdown.

Damage occurring to the substitute vehicle itself is not covered under this Additional Benefit.

##### 3. Towing Vehicles

We will cover your liability to pay for damage caused to the property of others arising out of or as a result of an accident caused by your vehicle towing a disabled vehicle, trailer or caravan, provided that:

- a. such towage is not for reward
- b. not more that one disabled vehicle or caravan is being towed at any one time
- c. the number of trailers being towed at any one time does not exceed the number permitted by law.

Damage sustained to property carried in or on a disabled vehicle, trailer or caravan is not covered under this Additional Benefit.

##### 4. Uninsured Motorist Extension

If your vehicle which is not covered by Section 1 – Comprehensive suffers damage as a result of an accident with another vehicle, and:

- a. the driver of your vehicle was not at fault (as determined by us), and
- b. you tell us the vehicle registration number, name and address of the at fault driver, and
- c. at the time of the accident the driver of the other vehicle was not insured for third party liability,

we will at our option repair your vehicle or pay the cost of repairs.

The maximum we will pay is the repair costs up to \$5,000 or market value, whichever is lesser.

## Special Clauses and Excesses – applying to the Policy

### 1. Additional or Replacement Vehicles

We will extend the same cover provided by this Policy to additional or replacement vehicles of a similar nature to those vehicles presently insured which you purchase or lease during the period of insurance, provided you notify us:

- a. immediately if the purchase price or market value of the vehicle exceeds \$100,000, or
- b. within thirty (30) days of the acquisition, of any other vehicle and,

agree to pay us the additional premium we require.

The cover provided on the replaced vehicle will cease from the date of purchase or lease of the replacement vehicle.

### 2. Excesses

Excess is the first amount you must contribute to any claim you make under this Policy.

Depending upon the age or experience of the driver and whether a rigid body tipper or tipping trailer is covered by this Policy you may be required to pay more than one type of excess.

Where more than one vehicle covered by this Policy is involved in an accident giving rise to a claim you will have to pay the applicable excesses in respect of each insured vehicle.

#### Excess – what you must pay if you make a claim

The standard excess which is applicable for each and every claim is shown as, Excess on the Certificate of Insurance.

#### Age and Inexperienced Driver Excess

The following excesses are applicable to vehicles with a gross vehicle mass less than ten (10) tonnes.

In addition to the excess shown on your Certificate of Insurance you must contribute the following age or inexperienced driver's excesses, if at the time of an accident giving rise to a claim your vehicle was being driven by:

1. a person under 21 years of age, then an excess of \$950 applies
2. a person between the ages of 21 to 25 years inclusive, then an excess of \$350 applies
3. a person aged twenty five (25) years or more but, who has held a driving license for less than two (2) years, then an excess of \$350 applies.

### Heavy Vehicle Age and Inexperienced Driver Excess

Age or inexperienced driver excess for apply for heavy vehicles (vehicles with a gross mass of ten (10) tonnes or greater).

Where a vehicle has a gross vehicle of ten (10) tonnes or greater, then in addition to the excess shown on the Certificate of Insurance you must contribute an excess of \$3,000 if at the time of an accident giving rise to a claim your vehicle is driven by or in the charge of a person:

1. under twenty five (25) years of age or
2. aged twenty five (25) years or more, but who has less than two (2) years driving experience for the type of vehicle being driven at the time of the accident.

### Tipping Excess

If any rigid body tipper or tipping trailer covered by this Policy is involved in an accident giving rise to a claim while the lifting mechanism or hoist is partially or fully extended, the excess as stated on the Certificate of Insurance in addition to any other excesses that may be applicable will be increased by one hundred percent (100%).

### Not at Fault Accident Excess

Unless otherwise stated on the Certificate of Insurance you will not have to pay any excess on a claim where the driver of your vehicle involved in the accident was not at fault. Provided that you supply us with the name and address of the driver of the vehicle entirely at fault or if the claim was for malicious damage the name and address of the person entirely responsible for causing the malicious damage to your vehicle.

In determining whether another person is entirely at fault we will apply established legal principles. If in our opinion the circumstances indicate doubt as to whether another person was entirely at fault, then all applicable excesses will apply to your claim.

### 3. Underinsurance

If your vehicle has a gross mass exceeding two (2) tonnes and at the time of the loss the sum insured shown on the Certificate of Insurance is equal to or less than eighty percent (80%) of the market value of your vehicle, then we will pay you the proportion of the claim which the sum insured bears to eighty percent (80%) of the market value but not exceeding the sum insured.

This special clause does not apply in the event of a total loss of your vehicle.

### Example: market value of vehicle: \$200,000

80% of vehicle value = \$160,000

Sum insured = \$144,000

If a \$100,000 loss occurs (and a \$1000 excess applies to the loss) then the loss value will be \$99,000

The underinsurance formula will apply as follows:

$$\frac{\$144,000 \times \$99,000}{\$160,000}$$

We would pay: **\$89,100**

### When You Are Not Covered

#### Specific Exclusions – applying to all Sections

This Policy does not cover:

- loss or damage to your vehicle due to depreciation, wear, tear, rust or corrosion
- loss or damage to your vehicle as a result of structural failure or mechanical or electrical breakdown or failure
- damage to your vehicle's tyres caused by the application of brakes, road punctures, cuts or bursting
- loss or damage to your vehicle if reasonable steps have not been taken to protect or safeguard your vehicle after an accident has occurred to it
- loss or damage caused by lawful seizure or other operation of law or arising from breach or contract, agreement or obligation
- any fines, penalties, punitive, exemplary or liquidated damages
- any consequential loss or financial expenses incurred as a result of your not being able to use your vehicle
- loss, damage or liability arising from your vehicle and any attached trailer if at the time of the accident the vehicle was:
  - engaged in, or being tested in preparation for racing, pacemaking, reliability trials, speed or hill climbing, or used in an experiment, test or demonstration by you or any other person with your consent other than a demonstration for re-sale purposes
  - being used for any form of hire, unless we have been notified and any special terms we require have been agreed in writing
  - being used to carry a number of passengers or convey a tow greater than that for which the vehicle and attached trailer was designed
  - being used for unlawful purposes, unless you prove such use was without your knowledge or consent
- being driven with your consent by an unlicensed driver
- being driven off a public road by an unlicensed driver. However this exclusion will not apply if such driver:
  - is competent to drive the vehicle, and
  - is over sixteen (16) years of age, and
  - has not been disqualified from holding or obtaining a drivers license, and
  - is driving the vehicle with your consent in circumstances where it is not necessary for such a person to hold a driver's license in order to comply with statutory requirements
- any loss, damage or liability arising from your vehicle being driven by anyone (including you):
  - whose faculties have been impaired by any drug or intoxicating liquor
  - whose blood alcohol reading exceeds the legal limits
  - who following an accident refuses to provide or allow the taking of a sample of blood or urine for testing or analysis as required by law in the State or Territory in which the incident occurredHowever, we will cover you if you allowed the person to drive your vehicle and you can prove to us that you were not aware your vehicle was being driven by or in charge of that person when they were so affected
- any loss, damage or liability arising from the use of your vehicle if at the time of the accident:
  - the vehicle was being driven in an unsafe or unroadworthy condition, unless such condition could not be reasonably detected by you. This exclusion will not apply if you prove that the loss, damage or liability was not caused by or contributed to by such unsafe or unroadworthy condition
  - the vehicle and any attached trailer has been changed from the manufacturer's original specifications, unless we have agreed in writing to cover the specification changes
- loss or damage to any concrete agitator barrel, bowl or pump and/or its fittings caused by or arising from hardening or setting of concrete, unless as a result of an collision where the emptying of these items becomes impossible or impractical
- loss or damage to your vehicle resulting from incorrect fuel being utilised
- loss or damage to your vehicle if at the time of the accident your crane was lifting, lowering, carrying or suspending a load greater than that for which it is licensed to lift, lower, carry or suspend

14. any legal liability arising out of the use of:
  - a. your crane if at the time of an accident it is lifting, lowering, carrying or suspending an object
  - b. your vehicle whilst underground in any mining activity
15. any loss, damage or liability arising from:
  - a. the explosion of a pressure vessel forming part of or used in connection with your vehicle
  - b. the use of liquid petroleum as a source of fuel for your vehicle, unless there has been strict compliance with the statutory laws and regulations and with the Australian Standards Association code
  - c. the commercial bulk transportation, by you or any person using your vehicle and any attached trailer, of the following materials:
    - i. flammable substances having a closed cup flash point below 22.7 degrees Celsius
    - ii. toxic chemicals, corrosive acids, gases or explosives
    - iii. substances which form explosive mixtures with organic and other readily oxidisable materials
16. any legal liability caused by, arising from or as a result of :
  - a. the use of your vehicle airside of or at an airfield
  - b. undertaking or indemnity given by you or contracted by you without our written consent
  - c. any material applied to or intended to be applied to land or anything growing thereon
  - d. any seepage, pollution or contamination
  - e. the existence, use, transportation, distribution, handling, mining and/or storage of asbestos or any material containing asbestos
17. any legal liability for damage to:
  - a. property in your physical or legal control
  - b. your property or the property of another person in the physical or legal control of any person using your vehicle and any attached trailer
  - c. any bridge, viaduct or weighbridge or anything beneath, caused by vibration or the weight of your vehicle
  - d. any underground sewerage or water pipes, gas pipes, electric wires, cables or their supports, or any other underground pipes or their supports, if such damage is caused by your vehicle while it is involved in digging or excavating
18. any legal liability which you or any other person or entity to whom protection is given by this Policy is required by laws to insure under a separate statutory policy

19. any legal liability when your vehicle which has tools, implements, machinery or plant attached to it and such attachment is being used at your premises or worksite as a tool of trade for the purposes of excavating digging pumping and the like (excluding while the vehicle is travelling, transporting or carting goods)

### General Exclusions – applying to this Policy

This Policy does not cover:

1. loss, destruction, damage, personal injury or liability, directly or indirectly caused by or arising from:
  - a. the corruption, destruction or alteration of or damage to data, coding program or software, or
  - b. the unavailability of data or reduction in the functionality, availability or operation of hardware, software and embedded chips
  - c. business interruption there from

Provided that this General Exclusion 1 shall not apply where such loss or damage occurs as a direct result of physical damage which is otherwise covered by the Policy and any such loss or damage will be settled in accordance with both the policy conditions and sum insured limits
2. loss, destruction, damage, personal injury or liability, directly or indirectly caused by or arising from, or in consequence of, or contributed to by:
  - a. any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
  - b. any action taken in controlling, preventing, suppressing or in any way relating to an act of terrorism.

For the purposes of General Exclusion 2 an act of 'terrorism' includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or defacto of any nation, political, religious, ideological or similar purposes to intimidate the public or a section of the public of a nation by any persons or groups of persons whether acting alone or on behalf of or in connection with any organisations or governments de jure or defacto and which:

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

3. any loss, destruction, damage, personal injury or liability, directly or indirectly caused by or arising from, or in consequence of, or contributed to by:
  - a. war, invasion, act of foreign enemy, hostilities (whether war has been declared or not), civil war
  - b. mutiny, civil commotion, assuming the proportion of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power
  - c. radioactivity or the use, existence or escape of nuclear fuel, nuclear material or nuclear waste or action of nuclear fission or fusion

### General Conditions – applying to this Policy

#### 1. Adjustment of Premium

If you have given us estimates and we have based the premium calculations for this insurance cover on these estimates you must:

- a. keep an accurate record of all relevant particulars and at any reasonable time allow us to inspect such records
- b. within sixty (60) days after the expiry of each period of insurance supply us with a correct statement of such particulars so the premium for that period may be calculated. The difference between the premium so calculated and the premium paid will be paid by you or refunded by us (as the case may be) provided the adjusted premium is not less than any minimum premium we charge for cover provided by this Policy.

#### 2. Applicable Law

This insurance contract will be governed by the law of the Northern Territory and you agree to irrevocably submit to the non-exclusive jurisdiction of the Northern Territory courts.

#### 3. Availability of Parts and Accessories

If any part or accessory is unobtainable following an accident, we will pay only the last published price in Australia of such an item, or the cost of a comparable item from a similar make of vehicle to your vehicle plus the reasonable cost of fitting.

#### 4. Cancellations

##### How you may cancel this Policy

You may cancel this Policy at any time by providing written advice to us. Your Policy will be cancelled from the date we receive the written request. Where you involves more than one person, we will only cancel the Policy when we receive written advice from all the persons named as insureds

##### How we may cancel this Policy

We may cancel this Policy by notifying you in writing. The notice shall be delivered to you personally or posted to you at your last known address.

Cancellation of this Policy will be effective from 4.00pm on the third business day after the expected normal postal delivery of this notice or at a time you enter into another insurance contract of insurance intended to replace this Policy, whichever is sooner.

We may cancel this Policy if you:

- a. make a misleading statement to us when applying for your insurance
- b. fail to tell us anything you should tell us when you apply for this Policy, when you renew the Policy or change or reinstate this Policy
- c. fail to comply with a provision of this Policy
- d. fail to pay the premium or fail to pay any instalments for longer than one month
- e. make a claim during the period of insurance that is not true.

##### How refunds apply

Unless you have made a claim, if we cancel this Policy we will refund to you a rateable proportion of the premium for the remaining period of insurance from the date of the cancellation.

#### 5. Due Care

You must always take reasonable precautions to prevent loss or damage, to ensure the safety and protection of your vehicle and to lock or otherwise secure your vehicle when not in use.

#### 6. Fraudulent Claims

If you or anyone acting on your behalf or with your implied permission should make a claim knowing or suspecting it to be false or fraudulent payment may be refused.

#### 7. Insurance Contracts Act

Nothing contained in this Policy is to be construed to reduce or waive either your or our privileges, rights or remedies available under the *Insurance Contracts Act 1984*.

#### 8. Other Insurances

You must notify us in writing of any insurance policy or insurance policies already taken out or which may be subsequently taken out covering, whether in whole or in part, the liability insured by this Policy.



## 9. Renewal Procedures

Prior to the expiry of your Policy we will write to you about the renewal of your policy. If renewal is invited you should carefully check the details contained in your renewal invitation, such as:

- a. the names of the people and entities who are insured
- b. the details of your vehicles including any sums insured shown
- c. any excesses which you must pay towards the cost of a claim.

## 10. Rights of Conduct and Recovery

If you have a right to claim against someone else for a claim you make under this Policy, you shall give us your rights to make that claim.

You also agree to give to us your rights to conduct, defend or settle any legal action in your name. You must not do anything that prevents us from doing this and you must give us all the information and cooperation that we require.

## 11. Transfer of Interest

Your interests in this Policy may not be transferred to any other person or entity without our written consent

## 12. Waiting period for Cyclone, Flood and Storm Surge

TIO operates in an area of Australia that is subject to catastrophic natural events. It is necessary for us to apply a waiting period of seventy two (72) hours for loss or damage that occurs from cyclone, flood or storm surge. This means if you arrange new insurance or make a mid-term alteration that affects your level of cover you will not have immediate insurance cover for these natural events.

## The Claims Process

### What you must do

1. In the event of an incident that may give rise to a claim you or someone on your behalf must:
  - a. notify us immediately
  - b. notify the police immediately in the event of theft, fire, malicious damage or accident
  - c. provide us with a copy of any breath analysis or blood test report if applicable
  - d. neither authorise or make any alteration, repair or replacement of any property or operation until we have had the opportunity to inspect it, unless the alteration, repair or replacement is necessary to prevent or minimise any loss or destruction of or damage to property, or injury to person

- e. take all reasonable precautions to prevent or minimise further loss, damage or liability
- f. take all reasonable steps to recover any lost or stolen property
- g. give us full details of the circumstances of the event or occurrence in writing as soon as possible. A claim form will be made available setting out the information we require
- h. provide at your expense all proof and information, proof concerning the loss, destruction, damage, personal injury or liability the subject matter of the claim
- i. give us immediate advice of any notice of claim, demand or legal proceedings or of any impending prosecutions, inquest, civil proceedings in connection with an event or occurrence and pay the excess when requested by us
- j. comply with all reasonable requests for co-operation made by us or our solicitors, assessors and/or inspectors
- k. salvage and preserve any damaged property, products, plant or other items and if requested by us to do so, make them available for inspection by our representative within a reasonable time.

### What you must not do

2. In the event of an incident that may give rise to a claim, you must not:
  - a. make or accept any offer, promise or payment or otherwise admit liability
  - b. settle or attempt to settle or defend any claim
  - c. arrange to have your vehicle repaired without being inspected by us, (other than for repairs described under additional benefit 2. Emergency Repairs on page 8).

### What we will do

3. We will strive to settle your claim as quickly and fairly as possible. However to fulfil our obligations we reserve the right to exercise complete control over the conduct of any legal proceedings, negotiations and settlement of claims we are prosecuting or defending on your behalf. If we do this we will do it in your name. You must co-operate with us giving us any statements, documents or assistance we require. This includes giving evidence in any legal proceedings.

### How We Pay Claims

4. We will at our option:
  - a. arrange the repair of your vehicle, or
  - b. pay to you the repair costs, instead of repairing your vehicle, or
  - c. pay to you the market value of the vehicle or the sum insured shown on your Certificate of Insurance, whichever is the lesser if your vehicle is declared a total loss.

Conditions:

#### Vehicle Repairs

Where the vehicle is repairable, we will (where practical) obtain or require you to obtain a minimum of two (2) repair quotes to determine the cost to repair your vehicle.

We will pay no more than the lowest quoted cost (after any necessary adjustment) which in our opinion is sufficient to repair your vehicle. Where we arrange to repair your vehicle these repairs will be backed by our Quality Repair Guarantee described on this page.

If we agree to make additional repairs, painting or provide replacement parts that improve the condition of your vehicle, you must pay for the improvements.

#### Total Loss

If the claim requires full settlement of the sum insured shown on the Certificate of Insurance or market value of the vehicle or limit of liability under the Policy, we will cancel the insurance cover on the property which was the subject of the claim and no refund of premium will apply.

If you pay your premium by instalments, we will deduct the balance of the annual premium for the time remaining on your Policy from the amount of the claim settlement

Upon payment to you of the sum insured shown on the Certificate of Insurance or the market value of your vehicle or the provision of the replacement of the vehicle, the wreckage of your vehicle will become our property and we will retain the proceeds of any salvage sale.

#### Goods and Services Tax

The amount we pay you for any claim will take into account any Input Tax Credit (ITC) that you are or would have been entitled to receive for the GST that is included in the cost of repairing or replacing any insured property or the GST included in any insured expense.

### Quality Repair Guarantee

Where we have arranged to repair your vehicle, we will guarantee the workmanship of the repairs performed by our accredited repairers and accredited sub-let repairers.

This guarantee is in addition to your statutory rights against the repairers, and any warranties you have from the repairer directly. Should a defect become apparent in repairs authorised by us, we will undertake to arrange repairs to any faulty workmanship or parts at no extra cost to you. However wear and tear is not included in this repairs guarantee.

The mechanical repair guarantee applies for as long as the vehicle:

1. is owned by you, and
2. is kept insured with us.

The paint work guarantee however applies for three (3) years.



For enquiries  
call 1300 301 833,  
visit [tiofi.com.au](http://tiofi.com.au),  
a TIO branch or  
your insurance advisor.



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