

**RACV** *we're there for you*

# Complete Care<sup>®</sup> Motor Insurance

Product Disclosure Statement  
and Policy Booklet



RACV Complete Care® Motor Insurance is issued by Insurance Manufacturers of Australia Pty Limited ABN 93 004 208 084 AFS Licence No. 227678.  
388 George Street, Sydney NSW 2000.

RACV Complete Care® Motor Insurance is distributed to members of Royal Automobile Club of Victoria (RACV) Ltd, by RACV Insurance Services Pty Ltd  
ABN 74 004 131 800 AFS Licence No. 230039

# Complete Care<sup>®</sup> Motor Insurance Supplementary Product Disclosure Statement (SPDS)

This Supplementary Product Disclosure Statement (SPDS) is an update to the RACV Complete Care<sup>®</sup> Motor Insurance Product Disclosure Statement and Policy Booklet (PDS). Edition 1 prepared on 2 January 2009 and the PDS version prepared on 3 March 2017. This SPDS should be read with your PDS. These documents together with your current Certificate of Insurance make up the terms and conditions of your insurance contract with us.

Please read it carefully and keep it in a safe place with your PDS. If you would like another copy of the PDS, please go to [racv.com.au](http://racv.com.au), call 13 RACV (13 7228) or visit an RACV shop.

**This SPDS was prepared on 23 August 2017 and applies to all current policies as of 15 October 2017.**

You can view previous editions of the PDS or SPDS at [racv.com.au](http://racv.com.au).

## Complete Care<sup>®</sup> Motor Insurance – Additional cover

*We have made changes to what we cover in the Complete Care<sup>®</sup> Motor Insurance - Additional cover, section in the PDS.*

*The heading 'Hire car' and the wording under that heading have been deleted and replaced with the following wording:*

### Hire car

If we agree to pay your claim as a result of an incident described on page 7 and your vehicle cannot be driven, is unsafe to drive or is in for repairs:

#### we will:

- ▶ arrange for a hire car up to a maximum of \$100 per day. We will do our best to arrange a hire car that meets your needs. This daily limit will not apply if your vehicle is in a collision with another vehicle and:
  - we agree that the driver of that vehicle is at fault, and
  - you can give us their name and residential address, and
  - you need a hire car
- ▶ pay for the hire car cost up to the following events, whichever is the shortest period of time:
  - until your vehicle is repaired or recovered, or
  - until we settle your claim if your vehicle is a total loss
- ▶ pay any excess or security bond up to \$3,000 payable under the hire car agreement because there is loss or damage to the hire car or it causes loss or damage.

#### not covered:

- ▶ running costs of the hire car (for example, petrol or tolls)
- ▶ additional hire car costs (for example, any optional extras such as a GPS)
- ▶ loss or damage to the hire car
- ▶ liability arising from the use of the hire car
- ▶ any additional hire car costs if the repairs to your vehicle are unreasonably delayed by you or your repairer
- ▶ a hire car arranged by you, without our prior consent or approval. You must not arrange for your own hire car under any circumstances unless you obtain our prior written consent by contacting us on 1300 654 947. If you do, then we may decide not to pay for the hire car.



# A message to RACV Members from RACV Insurance

Every month over 75,000 Victorians choose RACV Insurance. And it's no wonder. After all, RACV Insurance sets out to offer excellent value for money and the very best in service.

With RACV Complete Care® Motor Insurance, claims assistance is available 24 hours a day, 7 days a week, just call 1300 654 947.

Of course, another great reason to choose RACV Insurance is that you automatically become an RACV member. RACV is, first and foremost, a membership organisation. So everything RACV does, is for the benefit of members. Every one of RACV's 2.1 million members receives access to a wide range of benefits.

A good example of this is the Years of Membership Benefits program which rewards loyalty with discounts on a range of products and services, including an annual discount on RACV Complete Care® Motor Insurance. You don't have to wait long to start saving, only 5 years, and RACV's Years of Membership Benefit increases the longer you remain a member.

The benefits of RACV membership don't end there. RACV members save 25% off full accommodation rates all year round at seven resorts located in Victoria, Queensland and Tasmania. You'll also save by accessing special offers with participating organisations through the RACV Show Your Card & Save program and receive discounts on a wide variety of products and services at RACV shops.

RACV is committed to representing members' interests in areas such as road safety and mobility.

It's all part of RACV's promise to be there for every member every day.

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## Features & Benefits

The following table provides a summary of the features and benefits of Complete Care<sup>®</sup> Motor Insurance together with a comparison to our Comprehensive Motor Insurance Policy. This summary is intended as a guide only. For full details of the cover under Complete Care<sup>®</sup> Motor Insurance including exclusions, terms and conditions please read the pages that follow.

Summary of covers	Complete Care <sup>®</sup>	Comparison to Comprehensive Motor Insurance*
Cover for accidental damage to your vehicle	✓	✓
Cover for fire, theft, flood, storm or a malicious act	✓	✓
Towing, vehicle pick up & return	✓	towing only
RACV Premier 1 Rating	✓	✓
Years of Membership Benefit	✓	✓
Flexi Excess option	✓	✓
Multi-Policy Discount	✓	✓
Hire car after a theft	up to \$88 per day unlimited days	up to \$50 per day for 21 days
Hire car after an incident	up to \$88 per day unlimited days	optional - up to \$50 per day for 14 days
Choose your own repairer	✓	✓
Cover for personal items for loss or damage	up to \$1000	up to \$500 (excluding theft)
Taxi fare	up to \$250	✗
Agreed value	✓	optional
No extra to pay by the month	✓	✗
Emergency accommodation 100km from home	✓	✗
Cover for windscreen, sunroof and window glass with no excess	✓	optional

\* For full details of the Comprehensive Motor Insurance cover including exclusions, terms and conditions please refer to the RACV Motor Insurance PDS available from RACV at [www.racv.com.au](http://www.racv.com.au) or by calling 13 RACV (13 7228)

# Our agreement with you

Your Complete Care® Motor Insurance Policy is a contract between you and us made up of:

- ▶ your current Certificate of Insurance, and
- ▶ this Product Disclosure Statement and Policy Booklet (PDS), and
- ▶ any applicable Supplementary PDS (SPDS).

## **Paying your premium**

In return for the payment of your premium, we will provide you with Complete Care® Motor Insurance cover.

You can elect to pay your premium on an annual basis, or by monthly instalments (see page 28 for details of how to pay your premium and what happens if you fail to pay).

## **21 day cooling-off period**

You have a cooling-off period that allows you to cancel your Policy within 21 days of it being issued if you tell us within this period. If you have not made any claims on your Policy, we will refund in full the premium you have paid.

## **Words with special meaning**

Some words in this PDS have special meaning. Please refer to the Definitions section on page 34 for more details.

## **GST**

All dollar values described in this PDS include GST.

## **Special conditions**

We may impose special conditions on your Policy that may exclude, restrict or extend cover for a person or a particular matter. For example, we may not offer cover for a storm or bushfire within the first 48 hours of the start of the Policy. Any imposed conditions will be listed on your current Certificate of Insurance.

## **Co-insureds**

If more than one person is named as the insured, we will treat a statement, act, omission or claim by any one of these people as a statement, act, omission or claim by all of those people.

# What your Policy covers

Your Policy covers your motor vehicle that is listed on your current Certificate of Insurance. This is referred to as 'your vehicle' in this PDS.

Your Policy provides cover for incidents that occur in the period of insurance set out on your current Certificate of Insurance.

Complete Care<sup>®</sup> Motor Insurance offers you agreed value cover, so you will always have the peace of mind of knowing the amount your vehicle is covered for. The agreed value for your vehicle is listed on your current Certificate of Insurance.

If you make a claim, you may need to pay an excess. Also, your Rating and any future premium may be affected.

## Complete Care® Motor Insurance

Complete Care® Motor Insurance provides:

- ▶ all of the benefits described on pages 7 to 9, and
- ▶ additional benefits described on pages 10 to 14 if we agree to pay your claim.

See 'Things that may affect cover' on pages 15 to 17 for important policy exclusions that affect all cover. These are in addition to any limitations to cover described on pages 7 to 14.

### Cover for loss or damage

We will cover loss or damage to your vehicle caused by any of the following incidents:

- ▶ an accident including a collision
- ▶ flood
- ▶ fire
- ▶ malicious act
- ▶ storm
- ▶ theft or attempted theft.

#### **we will decide whether to:**

- ▶ repair your vehicle, or
- ▶ pay you the cost of repairing your vehicle, or
- ▶ pay you the agreed value listed on your current Certificate of Insurance less any applicable deductions (see page 23 for details).

For examples of how we calculate a claim for loss or damage to your vehicle, please see examples 1 and 2 in the Claim payment examples on page 36.

### Windscreen, sunroof & window glass damage

If only your vehicle's windscreen, sunroof or window glass is damaged as a result of an incident described on this page under the heading 'Cover for loss or damage':

#### **we will:**

- ▶ repair or replace the windscreen, sunroof or window glass, or
- ▶ pay you the cost of repairing or replacing the windscreen, sunroof or window glass.

You will not need to pay any excess.

### Keys, locks & barrels

If the keys of your vehicle are stolen:

#### **we will:**

- ▶ pay up to \$1,000 over and above any basic excess that applies to your Policy to replace or re-code your vehicle's keys, locks and barrels.

#### **you need to:**

- ▶ report the theft of the keys to the Police.

## Liability cover for damage you cause to someone else's property

Under liability cover, we protect you if someone makes a claim against you for loss or damage to their property. For example, if you are at fault in an accident and damage someone's vehicle.

### Who we will cover

We will cover:

- ▶ you, or
  - ▶ any driver, or
  - ▶ any passenger, or
  - ▶ your employer, including the government, your business partner or principal when:
    - you are using or are in charge of your vehicle as their employee, business partner or agent of the principal, or
    - you give permission for your vehicle to be used by another employee, business partner or agent of the principal.
- Your principal is a person with whom you have an express agreement to act as their agent.

### What we will cover

We will cover the liability of a person we cover for any claim against them arising from loss or damage to somebody else's property, in an incident that is caused by the use of your vehicle.

### We will also:

- ▶ act for, or arrange representation for the person we cover
- ▶ attempt to resolve the claim if we consider that the person we cover is at fault for the loss or damage
- ▶ defend the claim in a court or tribunal if we consider that the person we cover is not at fault for the loss or damage.

It is our choice whether we defend or resolve the claim and, if we resolve the claim, how much we pay to resolve the claim.

The most we will pay in relation to any one incident is \$20 million. In addition, we will pay legal costs when our lawyers act in connection with the claim.

For examples of how we calculate a liability claim and legal costs, please see example 4 in the Claim payment examples on page 37.

### Substitute vehicle

In the same way we cover liability for the use of your vehicle, we also cover liability caused by the use of a substitute vehicle (for the meaning of substitute vehicle, see page 35).

### When we provide liability cover

To be entitled to liability cover:

- ▶ the incident must occur during the period of insurance set out on your current Certificate of Insurance
- ▶ the person we cover must be claimed against by the person whose property is lost or damaged in the incident and must lodge a claim for liability cover with us under your Policy
- ▶ if the person we cover is not you and that person was driving the vehicle they must, at the time of incident, have had your permission to drive the vehicle
- ▶ if the person we cover is not you and that person was a passenger they must, at the time of the incident, have had your permission to be in the vehicle or the permission of a person who has your permission to drive the vehicle.

## When you are not entitled to liability cover

- ▶ We do not cover any claim for or arising from injury or death from an incident
- ▶ We will not cover damage to property that you, or the person we cover, own or have in their custody, control or possession
- ▶ We will not cover the liability of any passenger who was under the influence of any alcohol or drug at the time of the incident
- ▶ We do not cover any exemplary or punitive damages, fines or penalties claimed, ordered or awarded against you or the person we cover.

See 'Things that may affect cover' on pages 15 to 17 for important policy exclusions that affect all cover. These are in addition to any limitations to cover described on pages 7 to 14.

## Legal representation

If your vehicle is involved in an incident which results in you or a driver of the vehicle who has permission to drive your vehicle needing legal representation as a result of that incident:

- ▶ we will pay the reasonable costs of legal representation if you or that driver needs to be represented before a coroner conducting an inquiry
- ▶ we may choose to pay the reasonable costs of legal representation if you or that driver needs to be represented before a magistrate.

The most we will pay for any legal representation is \$10,000.

### you must:

- ▶ contact us before incurring these costs otherwise we may not cover you for these costs.

## Aussie Assist 1300 654 947 - 24 hour assistance

Aussie Assist is a telephone service that provides assistance and advice 24 hours a day, seven days a week. Aussie Assist can help you with a range of additional benefits, including emergency and support services, if you are in Australia and 100km or more from home.

If you are 50 or over Aussie Assist Prime Cover also offers:

- ▶ 24 hour medical assistance, and
- ▶ assistance with motor related legal matters.

You need to contact us before using any of the services or benefits that Aussie Assist offers.

For details on the benefits of Aussie Assist please refer to our Aussie Assist Benefits Guide, located at [www.racv.com.au/motoraussieassist](http://www.racv.com.au/motoraussieassist) or contact us on 1300 654 947

## Complete Care® Motor Insurance – Additional cover

If you make a claim for an incident described on page 7 under the heading 'Cover for loss or damage', you may be entitled to one or more of the following additional covers.

See 'Things that may affect cover' on pages 15 to 17 for important policy exclusions that affect all cover. These are in addition to any limitations to cover described on pages 7 to 14.

### Hire car

If we agree to pay your claim as a result of an incident described on page 7 and your vehicle cannot be driven, is unsafe to drive or is in for repairs:

#### we will:

- ▶ pay for the cost of a hire car up to a maximum of \$88 per day:
  - until your vehicle is repaired or recovered, or
  - until we settle your claim if your vehicle is a total loss.

Unless we arrange the hire car, you need to:

- ▶ pay for the hire car first, and
- ▶ provide us with the hire car agreement and receipt for payment of the hire car.

#### not covered:

- ▶ running costs of the hire car
- ▶ additional hire car costs
- ▶ loss or damage to the hire car
- ▶ liability arising from the use of the hire car (except as described under 'Hire car excess and bonds' cover – see this page).

We are not responsible for ensuring a hire car is available.

### Hire car excess and bonds

We will pay you up to \$3,000 in total for any excess you are required to pay, and the amount of security bond forfeited under a hire car agreement if:

- ▶ we have agreed to pay for the cost of the hire car under 'Hire car' cover (see this page), and
- ▶ the excess or security bond is payable as a result of loss or damage to the hire car or loss or damage caused by the hire car during the hire period we cover.

#### you need to:

- ▶ provide us with a copy of the hire car agreement, and
- ▶ provide receipts for any amounts being claimed.

## Towing, vehicle pick up & return

If we agree to pay your claim and your vehicle requires:

- ▶ towing from the scene of the incident, or
- ▶ transporting to and from the repairer

### **we will:**

- ▶ pay the cost of towing your vehicle from the scene of the incident to a repairer recommended by us or nominated by you
- ▶ arrange, at your request, for your vehicle to be towed or driven by us or our representative:
  - from your home or place of business to the repairer for repairs to be carried out, and
  - to your home or place of business from the repairer on the completion of repairs.

We will decide whether to tow or drive your vehicle.

## Taxi fare

If we agree to pay your claim and you need to arrange a taxi:

- ▶ from the scene of an incident,
- ▶ to and from the repairer,
- ▶ to and from a hire car provider

### **we will:**

- ▶ pay up to \$250 in total for the cost of taxi fares.

Unless we arrange the taxi, you need to:

- ▶ pay for the taxi first, and
- ▶ provide us with the receipt for payment of the taxi fares.

## Emergency repairs

If we agree to pay your claim and you have made emergency repairs to your vehicle as a result of an incident:

### **we will:**

- ▶ cover any emergency repairs up to \$500 without any prior agreement between you and us.

### **you need to:**

- ▶ keep the receipts for all repairs.

## Storage costs

If we agree to pay your claim and as a result of an incident your vehicle is reasonably required to be held in storage:

### **we will:**

- ▶ pay the reasonable storage costs for your vehicle from the time the claim is lodged.

## Emergency accommodation

If we agree to pay your claim and your vehicle:

- ▶ at the time of the incident is 100km or more from home in Australia, and
- ▶ as a result of the incident, cannot be driven or is unsafe to drive.

### **we will:**

- ▶ pay up to \$150 per day for emergency accommodation until your vehicle is repaired or recovered up to a maximum of 10 days.

Unless we arrange the accommodation for you, you need to:

- ▶ pay for the accommodation first, and
- ▶ provide us with the receipt of payment.

### **not covered:**

- ▶ accommodation costs beyond the room rate.

## Pet assistance

If we agree to pay your claim and your pet was with your vehicle at the time of the incident:

### **we will:**

- ▶ arrange for your pet to be transported home or to a place of safety, or
- ▶ pay up to an additional \$50 per night towards pet friendly accommodation if we have agreed to provide you with Emergency accommodation (see this page).

### **not covered:**

- ▶ veterinary expenses if your pet is injured.

## Personal items

If we agree to pay your claim and any personal items in your vehicle are stolen or damaged as a result of an incident:

### we will:

- ▶ pay up to \$1,000 to repair or replace the personal items.

### not covered:

- ▶ mobile phones
- ▶ cash
- ▶ baby capsules and child seats (for cover for these items see this page)
- ▶ standard equipment, modifications, options or accessories.

## Baby capsules & child seats

If we agree to pay your claim and any baby capsule or child seat in your vehicle is stolen or damaged as a result of an incident:

### we will:

- ▶ pay up to \$500 per item, towards replacing each baby capsule or child seat.

## Trailer or caravan damage

If we agree to pay your claim and your trailer or caravan suffers loss or damage as a result of an incident while attached to or being towed by your vehicle:

### we will:

- ▶ pay up to \$1,000 towards repairing or replacing your trailer or caravan.

### not covered:

- ▶ damage to the contents of the trailer or caravan.

## New replacement vehicle

If your vehicle is considered by us to be a total loss and we agree to pay your claim, you can choose to have your vehicle replaced, if:

- ▶ you have bought your vehicle new, or you purchased a demonstrator vehicle, and
- ▶ the vehicle is in the first 24 months of its registration at the time of the incident, and
- ▶ a replacement vehicle is available in Australia which is of the same make, model, engine size, equipment level and paint type, and
- ▶ we have agreement from any credit provider noted on your current Certificate of Insurance – if applicable, and
- ▶ the vehicle has a tare weight of less than 2.5 tonnes.

### we will:

- ▶ replace your vehicle with a vehicle of the same make, model, engine size, equipment level and paint type,
- ▶ replace any modifications, options or accessories,
- ▶ pay the first 12 months registration and Compulsory Third Party Insurance (if applicable) on the replacement vehicle.

### you need to:

- ▶ pay us any:
  - excess that applies,
  - outstanding premium, including the balance of all monthly instalments,
  - refund you receive from the registration and Compulsory Third Party Insurance (if applicable) over your vehicle.

### If your vehicle is replaced:

- ▶ your Policy comes to an end and no refund of premium is due, and
- ▶ your vehicle becomes our property.

You can arrange cover for your replacement vehicle by calling 13 RACV (13 7228).

For an example of how we calculate a claim for a new replacement vehicle, please see example 3 in the Claim payment examples on page 36.

## Things that may affect cover

In some situations, we may not cover you at all or we may limit the cover we give you under your Policy. These are known as exclusions. We outline the exclusions in the following sections.

### General exclusions

The exclusions shown on pages 15 to 16 apply to all cover under your Policy. These sections also apply to liability cover.

### Exclusions for liability cover

The exclusions for liability cover are shown under 'When you are not entitled to liability cover' on page 9.

### Other exclusions

Throughout this booklet, we outline other exclusions that apply to specific situations and the limits on your cover.

### Your responsibilities when you are insured with us and when you make a claim

When you are insured with us and when you need to make a claim, you must meet certain responsibilities. We outline your responsibilities on pages 17 and 19.

### General exclusions

The exclusions on this page and page 16 apply to all cover under your Policy.

#### not covered:

- ▶ loss or damage that occurs outside Australia
- ▶ loss or damage less than any applicable excesses
- ▶ claims arising from incidents that occur outside the period of insurance listed on your current Certificate of Insurance
- ▶ tyre damage caused by road cuts, punctures, bursts or braking
- ▶ mechanical, structural, electronic or electrical failures
- ▶ repairs to old damage
- ▶ deterioration, wear, tear, rust, erosion or other forms of corrosion
- ▶ loss that occurs because you cannot use your vehicle except to the extent your Policy provides you with hire car cover
- ▶ the cost of fixing faulty repairs
- ▶ loss or damage to your vehicle while it is on consignment
- ▶ depreciation
- ▶ loss of the value of your vehicle.

#### not covered:

- ▶ loss or damage caused intentionally by you, or a person acting with your express or implied consent
- ▶ loss or damage caused by or arising from:
  - the seizure, impoundment, sale or destruction of your vehicle by any law enforcement or government agency
  - any hostilities, rebellion, riot, civil commotion or war – whether war has been formally declared or not
  - the use, existence, or escape of any nuclear or radio-active material
  - any act of terrorism that involves biological, chemical or nuclear pollution or contamination
  - the discharge of any pollutant or contaminant from your vehicle or a substitute vehicle
  - a breach of contract or an obligation under a contract
  - a failure to secure your vehicle, or leaving your vehicle in an unsafe position after it:
    - broke down, or
    - suffered accidental damage, or
    - was stolen and then found.

### Driving under the influence of alcohol or drugs

If, at the time of an incident, the driver of your vehicle or a substitute vehicle:

- ▶ was under the influence of any alcohol or drug; or
- ▶ had a blood alcohol level higher than the level permitted by law

we will refuse any claim

#### **unless:**

you were not the driver and you can satisfy us you had no reason to suspect that the driver was affected by alcohol or any drug. Even if we agree to pay your claim for loss or damage to your vehicle, the driver will have no liability cover and we may seek recovery of an amount from this driver.

### Driving unlicensed

If, at the time of an incident, the driver of your vehicle or a substitute vehicle:

- ▶ did not hold a licence, or
- ▶ was a cancelled, suspended or disqualified driver, or
- ▶ was a learner driver not accompanied by a licensed driver who holds the class of licence required by the learner's permit, or

▶ did not hold the appropriate class of licence for the vehicle  
we will refuse any claim

#### **unless:**

you were not the driver and you can satisfy us you had no reason to suspect that any of these matters applied to the driver. Even if we agree to pay your claim for loss or damage to your vehicle, the driver will have no liability cover and we may seek recovery of an amount from this driver.

### Improper Vehicle use

If, at the time of an incident:

- ▶ you or the driver of your vehicle or a substitute vehicle were engaged in a wilful or reckless act while driving the vehicle, or
- ▶ your vehicle, a substitute vehicle or anything attached to your vehicle or a substitute vehicle was being used to carry or store explosives, flammable or combustible substances or liquids illegally,  
or
- ▶ your vehicle or a substitute vehicle or anything being towed, including a trailer or caravan, was:
  - in an unsafe condition, or
  - being towed illegally, or
- ▶ your vehicle or a substitute vehicle was being used in a race, trial, test or contest, or for unlawful purposes  
we will refuse any claim.

## Your responsibilities when you are insured with us.

If you do not tell us the following we may refuse or reduce a claim, or cancel your Policy:

- ▶ you change the address where your vehicle is normally kept
- ▶ you change the way you use your vehicle
- ▶ you use your vehicle for a driver education course
- ▶ you hire out your vehicle
- ▶ your vehicle is not in a condition that meets registration requirements in your State or Territory
- ▶ your vehicle is not in good order and repair, free from rust, mechanical, hail or unrepaired damage, or any other damage that would make it unsafe
- ▶ you use your vehicle for events relating to a motor vehicle club, bash or charity event.

When making a claim you also need to meet the responsibilities on page 19.

# Claiming under your Policy

We are available to help you 24 hours a day, 7 days a week on 1300 654 947.

If you make a claim, we will:

- ▶ ask a series of questions, or ask for detailed written information
- ▶ give immediate assistance with the claim
- ▶ tell you if you need to pay any excess and how to pay it.

## Your responsibilities when making a claim under your Policy

Your responsibilities when you make a claim are described below. These responsibilities also apply to anyone seeking cover under your Policy. If these responsibilities are not met, we may not pay a claim in full, or at all.

### **you must:**

- ▶ do everything reasonable to prevent further loss or damage
- ▶ co-operate fully with us, even if we have already paid your claim. This may include:
  - providing us with all the information, documents and help we need to deal with your claim
  - immediately sending us any letters, notices or court documents that you receive about any incident which has resulted, or could result in a claim against you
  - being interviewed by us
  - attending court to give evidence

- ▶ where requested by us, provide proof of ownership for your vehicle, or any personal items, modifications, options or accessories. This may include providing receipts, valuations, model and serial numbers
- ▶ immediately report to the Police any theft or attempted theft, vandalism or malicious act, and keep any incident report number they give you
- ▶ where requested by us, allow us to inspect your vehicle. We may also require additional quotations from any repairers we nominate. If we need to move your vehicle, this will be at our expense
- ▶ provide us with your Australian Business Number (ABN) and the percentage of any input tax credit you have claimed or are entitled to claim on the premium you have paid if you are a business registered or required to be registered for GST purposes and entitled to an input tax credit.

### **you must not:**

- ▶ carry out or authorise repairs, except if you are entitled to claim those repairs as emergency repairs (see page 11 for details)
- ▶ attempt to settle a claim made against you without our permission
- ▶ make any admissions to anyone about any incident covered by your Policy
- ▶ abandon or surrender damaged property to us unless we are entitled to the salvage under your Policy or at law.

We will refuse a claim, cancel your Policy, or do both if you, or anyone seeking cover under your Policy is not truthful and frank in any statement made in relation to a claim, or in connection with a claim.

## Excesses

### What is an excess?

An excess is an amount you contribute towards the cost of a claim.

There are three types of excess:

- ▶ basic
- ▶ age
- ▶ special.

If you make a claim you must pay any excess that applies either to us or to the repairer or supplier. We will tell you who to pay your excess to. We may not finalise a claim until you have paid any excess that applies.

You can choose a higher basic excess to reduce your premium (see our Flexi Excess Discount on page 27).

If available, you may remove the basic excess by paying an extra premium.

### When an excess applies

If you make any type of claim, you must pay any:

- ▶ basic excess that applies, and
- ▶ age excess where the driver of your vehicle was under 25 years of age, or 25 years of age or more with less than 2 years of driving experience after obtaining a provisional or probationary licence, and
- ▶ special excess in addition to any age excess or basic excess.

The type and amount of any Policy excess you must pay are listed on your current Certificate of Insurance.

For further details on excesses, together with details on how these excesses are calculated, please refer to our Premium, Excess and Discounts Guide located at [www.racv.com.au/motorped](http://www.racv.com.au/motorped) or contact RACV Insurance on 13 RACV (13 7228).

### When an excess does not apply

You will not have to pay an excess if:

- ▶ you make a claim for an incident that we agree was not in any way the fault of you, the driver of, or a passenger in your vehicle, or a substitute vehicle, and
- ▶ you can provide the name and residential address of a person(s) we agree is at fault, and the amount of the claim is more than any basic excess.

You will not have an excess if you are claiming for windscreen, sunroof or window glass damage only (see page 7).

## How we settle a claim

### Repairing your vehicle

If we agree to pay your claim for loss or damage to your vehicle and we agree your vehicle can be repaired, information on how we settle your claim is described on pages 21 and 22.

### If your vehicle is a total loss

If your vehicle is considered by us to be a total loss, information on how we settle your claim is described on page 23.

For examples of how we calculate claims if your vehicle can be repaired or is a total loss, please see the Claim payment examples 1, 2 and 3 on page 36.

## Repairing your vehicle

### Choosing a repairer

If we agree to repair your vehicle, you can let us find you a repairer or nominate your own repairer.

#### If you let us find you a repairer

##### we will:

- ▶ advise you of a customer management centre to attend or a preferred repairer to undertake repairs to your motor vehicle, 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 you need to take your vehicle or have your vehicle towed
- ▶ arrange for a part of the repair to be carried out by a specialist service provider, for example windscreen repairs
- ▶ require you to contribute to the costs if the repairs to your vehicle leave it in a better condition than before the incident.

##### we will not:

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

### If you choose to nominate your own repairer

#### you must:

- ▶ choose a repairer that has all necessary licences and authorisations required by law
- ▶ obtain our authorisation for the repairs before those repairs are commenced.

#### we will:

- ▶ choose the most suitable repair method for the type of damage to your vehicle, and
  - decide whether to authorise and pay for the costs of repairs, or
  - decide whether to pay you the cost to repair your vehicle.

#### we may:

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

#### we will not:

- ▶ be responsible for ensuring the availability of the repairer
- ▶ cover any additional repair 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.

Our policy is to use non-mechanical reusable parts or non-genuine 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
- ▶ does not void or affect the warranty provided by the vehicle manufacturer.

Generally, we do not authorise the use of reusable parts for the repair of any motor vehicle that is less than three years old.

### Post repair vehicle inspection

If we authorise repairs, when those repairs are completed we will, at your request show and explain to you how the repairs were carried out. We will do this before your vehicle is returned to you.

### Lifetime guarantee of repairs

If we authorise repairs to your vehicle, we will guarantee the workmanship on the repairs authorised by us for the life of your vehicle.

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

This 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.

## If your vehicle is a total loss

If we consider your vehicle to be a total loss:

### we will:

- ▶ pay you the agreed value listed on your current Certificate of Insurance after deducting:
  - any unpaid premium, and
  - any applicable excesses, and
  - the unused portions of the registration and Compulsory Third Party Insurance (if applicable) that you are entitled to. What will be unused will depend on the time between registration and the incident and the refund rules applied by the registration authority.

### if we pay a total loss:

- ▶ your Policy comes to an end and no refund of premium is due to you, and
- ▶ the vehicle becomes our property.

## Recovery actions

You agree that following provisions, which appear under the headings **Recovery action by us** and **Recovery action by you** apply where we cover you under the policy for some or all of the loss or damage you suffer in connection with an incident.

### Recovery action by us

You agree we may, if we choose to, take steps to recover from someone else we consider responsible for the incident:

- ▶ some or all of the loss or damage we cover; and/or
- ▶ some or all of the loss or damage which we do not cover, whether or not it is covered by another insurer or you do not have cover for it.

You agree we may take such recovery action:

- ▶ without your consent;
- ▶ using your name; and
- ▶ whether or not you have been, or have a right to be, fully compensated for all of your loss or damage by us or anybody else.

Examples of recovery action we may take include:

- ▶ conducting legal proceedings using your name, including as an applicant or plaintiff in representative or group proceedings (commonly known as class actions);
- ▶ conducting legal proceedings on your behalf as a member of representative or group proceedings;
- ▶ taking over the conduct of legal proceedings started by you or on your behalf, including as an applicant or plaintiff in representative or group proceedings;
- ▶ exercising any statutory or contractual rights, including rights to opt-out, that you have in or in connection with representative or group proceedings; and/or
- ▶ entering into contracts in your name in relation to litigation funding or legal representation, including where entry into those agreements causes you to become a group member of representative or group proceedings.

We have in our discretion the right to decide upon the conduct and any settlement of any recovery action we take.

You agree we may exercise all the rights you have in connection with the loss or damage you have suffered in connection with the incident.

If we take recovery action in respect of some or all of the loss or damage which we do not cover, we may in our discretion, and to the extent permitted by law, require you to contribute to the costs we incur.

Of any amount recovered in recovery action we take, you agree we first keep the amount we have paid, or must pay, you under the policy plus any interest recovered on that amount and any administrative, recovery agent, funding and legal costs we have incurred in taking the recovery action. We then pay you the amount of loss or damage you have suffered in connection with the incident for which you do not have any cover with us plus any interest recovered on that amount and costs you may have been required by us to contribute. Finally, we keep any remaining balance.

You must give us all the information and co-operation that we require to take the recovery action.

You must not do anything which prejudices us in taking any recovery action. For example, you must not:

- ▶ assign your rights to anyone else; – for example, a tow truck driver or a smash repairer; or
- ▶ opt-out of any representative or group proceedings taken by us.

### Recovery action by you

You may only take recovery action with our prior written consent and on conditions which we in our discretion impose.

You must have proper regard for our interests in respect of loss or damage that we cover.

You must seek to recover the loss or damage we cover in addition to any other loss or damage you have suffered in connection with the incident.

Of any amount recovered in recovery action you take, you may first keep the amount of loss or damage you have suffered in connection with the incident and for which you do not have any cover with us plus any interest recovered on that amount and any administrative and legal costs you have incurred in taking the recovery action.

You then pay us the amount we have paid, or must pay, you under the policy plus interest recovered on that amount. Finally, you keep or pay any remaining balance in accordance with any other obligations you have.

### You agree we may:

- ▶ take over the conduct of legal proceedings started by you or on your behalf, including where you are an applicant or plaintiff, or a group member, in representative or group proceedings; and
- ▶ require you to cease recovery action that you have commenced.

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

We will reduce any payment we make by an amount equal to your input tax credit entitlement. This applies to any amount we pay, including where we state that an amount will include GST.

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.

## Credit provider's rights

If you have borrowed money using your vehicle as security, you may be required to note the credit provider's interest in the vehicle.

This may also apply if you lease, or have a hire purchase agreement on your vehicle.

If this is the case, and the credit provider is listed on your current Certificate of Insurance, the cover you have extends to them and the conditions and exclusions also apply to them.

### we will:

- ▶ consider your vehicle used as security to be under a finance arrangement
- ▶ if we decide to pay you the cost of repairs or the agreed value of your vehicle, pay the credit provider the lesser of:
  - the agreed value, listed on your current Certificate of Insurance (less any applicable deductions)
  - where applicable, the cost of repairing your vehicle (less any applicable deductions)
  - the balance then owing to the credit provider under a finance arrangement
- ▶ if the credit provider is entitled to the salvage of the vehicle in the event of a claim, deduct the estimated salvage value of the vehicle from any amount that we pay.

### however:

- ▶ our ability to pay the claim may be affected if the credit provider fails to provide us with the information we require
- ▶ we will treat any statement, act, omission or claim by you as a statement, act, omission or claim by the credit provider
- ▶ if we pay the credit provider, we no longer have an obligation to you under the claim for the amount paid to them. We may try to recover the amount of that payment if someone else was at fault. We will do this in either your name or the credit provider's name.

# More about this Policy

## How we work out your premium

Your insurance premium is based on the likelihood of a claim being made on your Policy in the future. There are a number of factors we take into account in determining your premium, including:

- ▶ your vehicle
- ▶ where your vehicle is kept
- ▶ age of the owners and drivers
- ▶ the number and types of claims and incidents.

For full details please refer to our Motor Insurance Premium, Excess and Discounts Guide.

### Discounts you may be eligible for

If you take out insurance with us you may be eligible for one or more of the following discounts described on this page:

- ▶ Rating
- ▶ Multi-Policy Discount
- ▶ Years of Membership Benefit
- ▶ Flexi Excess Discount.

We calculate the discounts that apply to your Policy before we tell you what your premium will be. Discounts we have applied will be listed on your current Certificate of Insurance. We may introduce new discounts from time to time.

### Rating

A Rating is a reward for good driving. We calculate your Rating level based on the number of years you have been driving and your claims and incident history.

A claim or incident may impact upon the calculation of premium before the Rating is applied.

### Multi-Policy Discount

Applies to your Complete Care<sup>®</sup> Motor Insurance policy if you hold two or more eligible RACV Insurance policies.

### Years of Membership Benefit

Years of Membership Benefit is linked to the colour of your RACV membership card.

Please contact RACV if you have any questions in relation to your RACV membership card colour.

For full details of how we work out your premium and the discounts you may be eligible for, please refer to our Premium, Excess and Discounts Guide located at [www.racv.com.au/motorped](http://www.racv.com.au/motorped) or contact RACV Insurance on 13 RACV (13 7228).

### Flexi Excess Discount

Flexi Excess Discount allows you to reduce your premium by selecting a higher basic excess. The excess you choose is shown as your basic excess on your current Certificate of Insurance.

Any discounts applied will be listed on your current Certificate of Insurance. It is important you check your current Certificate of Insurance to ensure you are getting the discounts you are entitled to and that your personal information is accurate, complete and up to date.

## Paying your premium – what you should know

You can pay your premium:

- ▶ annually in one lump sum, or
- ▶ by monthly instalments by direct debit from an account or credit card you nominate, if we offer that option to you.

If you pay your premium annually the due date for the payment is set out on your current Certificate of Insurance.

If you pay your premium by monthly instalments the amount and due date for each instalment is set out on your current Certificate of Insurance.

### Unpaid annual premium

If you pay your premium annually and you do not pay by the due date, we will give you written notice of cancellation of your Policy.

## Unpaid monthly instalments

### The first instalment when you take out insurance:

If you pay your premium by monthly instalments and you do not pay the first instalment by the date it is due, we will give you written notice of cancellation of your Policy.

### For any other instalment:

- ▶ if an instalment remains unpaid for one month after its due date, your policy is automatically cancelled without notice to you at the end of that one month period
- ▶ if an instalment remains unpaid for 14 days or more after its due date, we will refuse a claim for incidents that occur 14 days or more after the due date.

An instalment is unpaid if it is dishonoured, rejected, not received or we are otherwise unable to deduct it from the nominated credit card or account.

## Making changes to your Policy

If you or we want to make certain changes to your Policy, the following sections describe what you will need to do or what we will do:

- ▶ You want to make changes to your Policy - see this page
- ▶ You sell or give away your vehicle - see this page
- ▶ You change vehicles - see this page
- ▶ You want to cancel your Policy - see page 30
- ▶ We want to cancel your Policy - see page 30
- ▶ We want to give you written notice - see page 30.

## You want to make changes to your Policy

If you want to make changes to your Policy:

### you need to:

- ▶ contact us first, and
- ▶ pay us any additional premium otherwise we will not make the change.

### we will:

- ▶ make the change only if we agree
- ▶ issue you with a current Certificate of Insurance
- ▶ refund any amount owing to you.

## Additional premium or Refund

When a change is made to your policy, you may need to pay us an additional premium, or we may need to refund part of your premium. If the additional premium we need to charge you is less than \$15, then we'll waive it – that is, you don't need to pay it. However, if the amount we need to refund is less than \$5, then we'll donate it to charity.

## You sell or give away your vehicle

If you sell or give away your vehicle or part ownership of your vehicle, then your Policy comes to an end without any notice to you and you will not be covered.

If you require a refund we will deduct from the premium an amount that covers the period that you have been insured for, and then pay you what is left of the premium.

## You change vehicles

If you replace your vehicle with a similar one within 14 days of selling it or giving it away:

### we will:

- ▶ provide separate temporary cover for the replacement vehicle on the same terms and conditions as set out in your Policy, except that the cover will only be:
  - for a period of 14 days from the date of purchase, and
  - the agreed value will be the purchase price of the replacement vehicle
- ▶ cover the replacement vehicle under this Policy:
  - if within the 14 day temporary cover period you ask us to cover the replacement vehicle permanently and provide us full details of the replacement vehicle, and
  - we agree to cover the replacement vehicle, and
  - you agree to pay us any additional premium we require.

## You want to cancel your Policy

If you want to cancel your Policy you must contact us first:

### we will:

- ▶ deduct from the premium you paid an amount that covers:
  - the period that you have been insured for, and then we will pay you what is left of the premium.

### however:

- ▶ if you are paying your premium by monthly instalments, you must pay us any monthly instalments due but unpaid. You authorise us to deduct these amounts by way of direct debit from the account or credit card you have previously nominated for monthly instalment deductions.

You may cancel your Policy and receive a full refund within the 21 day cooling-off period (see page 5 for details).

## We want to cancel your Policy

If we want to cancel your Policy:

### we will:

- ▶ provide you with written notice, if required
- ▶ refund your unused premium after deducting an amount that covers the period that you have been insured for.

### however:

- ▶ if you are paying your premium by monthly instalments, you must pay us any monthly instalments due but unpaid. You authorise us to deduct these amounts by way of direct debit from the account or credit card you have previously nominated for monthly instalment deductions.

## We want to give you written notice

If we need to provide you with any written notice regarding your Policy:

### we will:

- ▶ deliver it personally, or
- ▶ send it to your last known address, or
- ▶ deliver it by fax or electronically where it is permitted by law, or
- ▶ send you an electronic link by which you can access the notice where this is permitted by law.

### however:

- ▶ it is important that you tell us of any change of postal address or electronic address (if applicable) as soon as possible.

## How to resolve a complaint or dispute

### 1 – Talk to a staff member

- ▶ If you have a complaint, the first thing to do is call 13 RACV (13 7228) or go into your local RACV Shop and talk to one of the staff
- ▶ If the staff member is unable to resolve the matter for you they will refer you to a manager.

If you are not satisfied with the response, you can go to step 2.

### 2 – Seek a review

- ▶ If the matter is still not resolved, the manager will refer you to the RACV Insurance - Member Relations Department, who will arrange a review of your complaint.

If you are not satisfied with the response to your complaint, you can go to step 3.

### 3 – Seek an external review

- ▶ You are entitled to seek an external review of the decision. Information about the options available to you will be provided, including if appropriate, referring you to the external dispute resolution scheme administered by the Financial Ombudsman Service Australia (FOS). You can call the FOS on 1800 367 287.

Call 13 RACV (13 7228) if you would like more information about the complaint and dispute resolution procedure.

## General Insurance Code of Practice

We support and adhere to the General Insurance Code of Practice.

### 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 the professionals they rely upon to higher standards of customer service.

A copy of the Code can be obtained from the Insurance Council of Australia by visiting [www.codeofpractice.com.au](http://www.codeofpractice.com.au).

## Financial Claims Scheme

If we become insolvent, this policy may be protected under the Federal Government's Financial Claims Scheme administered by APRA. This means that if you meet certain eligibility criteria you may receive payment under the scheme. For more information please see [www.fcs.gov.au](http://www.fcs.gov.au).

## Privacy of your personal information

We and RACV Insurance value the privacy of personal information we and RACV Insurance collect about you.

We and RACV Insurance collect your personal information directly from you or through others including entities listed in our Privacy Policy and the RACV Insurance Privacy Charter (Policies). They include our and RACV Insurance's related entities, agents and distributors.

To get a free copy of the RACV Insurance Privacy Charter:

- ▶ Visit [racv.com.au](http://racv.com.au)
- ▶ Call 13 RACV (13 7228)
- ▶ Visit an RACV shop

To get a free copy of our Privacy Policy:  
Visit [iag.com.au/privacy\\_ima](http://iag.com.au/privacy_ima)

## How we use your personal information

We and RACV Insurance and the parties listed in the Policies will use your personal information for the purposes it was collected for. That usually includes to provide you with assistance, and a product or service you requested. Your personal information may also be used for other purposes that are set out in the Policies. You may choose to not give your personal information. However, not giving your personal information may affect our and RACV Insurance's ability to provide you with a product or service.

### Further information

We and RACV Insurance may disclose your personal information to:

- ▶ related entities
- ▶ service providers — which includes some service providers that may be based overseas, and
- ▶ other parties as set out in the Policies.

The Policies provide more information about how we and RACV Insurance collect, from whom we and RACV Insurance collect and how we and RACV Insurance hold, use and disclose your personal information.

The Policies also provide information about how you can:

- ▶ access your personal information
- ▶ ask us and RACV Insurance to correct your personal information, and
- ▶ complain about a breach of the privacy principles set out in the Privacy Act 1988 (Cth) and how we and RACV Insurance will deal with your complaint.

### Your consent

You agree to us and RACV Insurance collecting, holding, using and disclosing your personal information as set out in the Policies when you:

- ▶ provide us and RACV Insurance with your personal information, or
- ▶ apply for, use or renew any of our and RACV Insurance's products or services.

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# Definitions

The following words have been given special meaning.

## **accessory**

any extra item fitted to your vehicle, whether by the manufacturer or not.

## **agreed value**

the amount we agree to insure your vehicle for. The amount is listed on your current Certificate of Insurance. The agreed value includes:

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

But it does not include:

- ▶ allowance for dealer profit
- ▶ warranty costs
- ▶ future stamp duty
- ▶ transfer fees.

## **driver**

the driver of a motor vehicle .

## **incident**

a single occurrence or a series of occurrences, including an accident or series of accidents, arising out of the one event.

## **modification**

an alteration to the standard body, engine, suspension, wheels or paintwork of your vehicle which may affect its value, safety, performance or appearance.

## **non-genuine parts**

parts which were not manufactured by a supplier to the original manufacturer of the vehicle.

## **option**

see accessory.

## **pet**

a domestic animal that is kept at your usual place of residence.

## **premium**

the total amount you pay for your insurance that includes applicable government taxes such as GST, and any duties or charges payable by you. It is shown on your current Certificate of Insurance. If you pay by monthly instalments, the premium is the total of the instalments you must pay for the full policy period.

## **standard equipment**

the equipment originally fitted to your vehicle at the time of manufacture. It does not include any modifications, options, or accessories.

## **substitute vehicle**

a motor vehicle you have borrowed because your motor vehicle is being repaired, serviced or has broken down. This does not include a hire car.

## **us, we and our**

the product issuer, Insurance Manufacturers of Australia Pty Limited.

## **you**

the person or persons named as the insured on your current Certificate of Insurance. If more than one person is named as the insured, we will treat a statement, act, omission or claim by any one of these people as a statement, act, omission or claim by all those people.

## **your vehicle**

the motor vehicle shown on your current Certificate of Insurance including its standard equipment and any modifications, options or accessories that are attached to the vehicle.

# Claim payment examples

These Claim payment examples show you how a claim settlement is calculated based upon some practical scenarios. Any claim settlement amount will depend upon the facts of each case.

## 1 Repairing your vehicle – page 7 & 21

We decide to repair your vehicle and you let us find you a repairer.

The vehicle was towed from the scene of the accident to our assessing centre. The towing company invoiced you for \$350. The cost of the repairs is \$3,350.

There is an excess of \$500. You are not registered for GST.

**you pay the \$500 excess to the repairer**

**we pay the repairer \$2,850  
(\$3,350 - \$500)**

**we will pay the towing company \$350**

## 2 Total loss – page 7 & 21

We decide that your vehicle is a total loss.

The agreed value of the vehicle listed on the Certificate of Insurance is \$14,200. The vehicle was towed from scene of the accident to our assessing centre. The towing company invoiced you for \$350.

There is an excess of \$500 and you can get a registration and compulsory third party insurance refund of \$250. You are not registered for GST.

**we pay you \$13,450  
(\$14,200 - \$500 - \$250)**

**we will pay the towing company \$350**

## 3 New replacement vehicle – page 14 & 21

We decide that your vehicle is a total loss.

Your vehicle was only 2 months old and less than 2.5 tonnes. The cost to us of a new replacement vehicle is \$30,000.

There is an excess of \$500 and you can get a registration and compulsory third party insurance refund of \$250. New registration and compulsory third party insurance will cost \$850. You are not registered for GST.

**we pay to replace the vehicle \$30,850  
(\$30,000 + \$850)**

**you will pay us \$750 (\$500 + \$250)**

#### 4 Liability cover for damage you cause to someone else's property – page 8

We or a court decides that you are liable to pay \$5,000 for a claim made by another person against you.

We have paid \$1,500 to our lawyers to defend the claim on your behalf. There is an excess of \$500.

**we will pay the person who claimed against you \$5,000**

**we will pay our lawyers \$1,500**

**you must pay us \$500**

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The information in the booklet is current at the date of preparation. More up-to-date information may be available by calling 13 RACV (13 7228). We will give you a free paper copy of any updates when you request them. If it becomes necessary, we will issue you a supplementary or replacement Product Disclosure Statement. This Product Disclosure Statement was prepared on 3 March 2017. Copyright 2017.



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