

MOTOR FINANCE GAP PROTECTION POLICY

Product Disclosure Statement and Policy Wording

Version No. 1.0

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Please read this Product Disclosure Statement and Policy Wording Carefully.

It contains important information that will help you decide whether or not to buy this product



www.chubbinsurance.com.au

Issued by Chubb Insurance Company of Australia Limited ABN 69 003 710 647 ASFL No. 239778

Promoted by Australian Reliance Pty Ltd ABN 71 103 351 122 ASFL No. 227041

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PART 1 – ABOUT OUR MOTOR FINANCE GAP PROTECTION POLICY

1. Introduction

This Product Disclosure Statement (PDS) will help You decide whether to take out this insurance and to compare this product with other products You may be considering.

Part 1 of this PDS includes general information about this insurance. Part 2 of this PDS is the Policy that sets out the specific terms, conditions and exclusions of the cover that We will provide, which should be read to ensure that it provides the cover You need.

You should keep this PDS in a safe place for future reference, such as at the time of a claim.

In this PDS, We/Us/Our means Chubb Insurance You and Your mean the person named in the Schedule as being the insured.

Australian Reliance Pty Ltd ("Australian Reliance") (ACN 103 351 122, AFS License No. 227041) and its authorised representative have arranged this PDS on Your behalf. You should carefully read this PDS and contact Us, or Australian Reliance or its authorised representative if You have any questions (see section 3 and 4).

It is important that You read this PDS carefully to understand the extent of cover provided by this insurance and to understand its limitations.

2. Words with a special meaning

Words that begin with a capital letter have a special meaning when used in this PDS. The meaning of these words can be found in the Policy wording on pages 10 and 11. We have used the same meanings throughout this PDS to be consistent.

3. About Us

This product is issued by the insurer, Chubb Insurance Company of Australia Limited ("Chubb")

ABN 69 003 710 647 AFSL No.239778.

Chubb Insurance's contact details:

Our Offices:

Sydney: Citigroup Centre, Level 29, 2 Park Street, Sydney, NSW, 2000, Australia.
Ph: (02) 9273 0100.

Melbourne: Level 14, 330 Collins Street, Melbourne, VIC, 3000, Australia.
Ph: (03) 9242 5111.

Perth: Level 22, Exchange Plaza, 2 The Esplanade, Perth, WA, 6000, Australia.
Ph: (08) 6211 7777.

Brisbane: Comalco Place, Level 24, 12 Creek Street, Brisbane, QLD 4000, Australia.
Ph (07) 3229 4488.

Our Website: www.chubbinsurance.com.au

General Insurance Code of Practice

Chubb has adopted and proudly supports the General Insurance Code of Practice and its purpose of raising the standards of practice and service in the general insurance industry.

A copy of this Code is available by contacting Chubb or from the Insurance Council of Australia's website at www.insurancecouncil.com.au

4. About Australian Reliance

Australian Reliance is a licensed insurance intermediary. Australian Reliance and its authorised representative are intermediaries who act on Our behalf in arranging this insurance.

Australian Reliance contact details are:

Address: Level 15, Fawkner Centre, 499 St Kilda Road, Melbourne, VIC, 3004
Telephone: (03) 9864 4444
Facsimile: (03) 9867 5110

5. Significant features and benefits of Motor Finance Gap Protection

The following is a summary only of some of the key features available under the Policy. Please refer to the terms, conditions and exclusions of the Policy wording in Part 2 of this PDS for full details of the cover.

From the Commencement Date, We will pay to Your Financier Your Indebtedness on the Loan Contract to the Financier after the Motor Vehicle has been deemed a Total Loss and following Total Loss Payout of the Market Value or Agreed Value by the Comprehensive Motor Vehicle insurer, subject to the limit of coverage You selected.

The extent of cover provided under Your policy is up to \$15,000 at policy inception. .

If you decide to purchase cover, the coverage will be identified on Your Schedule, subject to the terms, conditions and exclusions of this Policy.

Provided You supply Us with satisfactory proof of Your actual loss, We will also provide cover for the following benefits until the limit of coverage You have selected is exhausted:

Benefits Included in Motor Finance GAP Cover	Maximum Amount Payable
Additional Expenses Cover	\$2,000

These benefits are fully defined in PART 2 "MOTOR FINANCE GAP COVER POLICY WORDING"

6. Your individual requirements

When preparing this PDS, We have not taken into account Your individual objectives, requirements or financial position. We generally distribute our products through licensed insurance brokers or advisers (intermediaries).

You should discuss with Your intermediary the type of risks You need to insure against and the appropriate amount of cover that You need. Further, if You have any questions about the appropriateness of this product for Your objectives, requirements or financial position, You should seek advice from Your intermediary.

If You wish to contact Us about this PDS, please use the contact details given above. However, We can only provide You with factual information or general advice about this product and cannot advise You whether the product is appropriate for Your objectives, requirements or financial position.

If Your circumstances relevant to the risks We have agreed to insure change after taking out this insurance You should notify Us (or ask Your intermediary to do so on Your behalf) as soon as possible.

7. Other issues to consider before taking out this insurance

Like all insurance contracts, the Policy contains exclusions, terms and conditions, as well as limits and sub-limits that You should be aware of when considering whether to purchase this product.

Exclusions and limitations

The Policy has a number of exclusions and limitations that apply to all benefits under the Policy. These can be found under the heading 'Exclusions and Limitations' on page 11.

Policy limits

There is a maximum amount We will pay for each benefit. These amounts are shown in the description of each benefit under the heading "The Coverage" on page 10.

Policy term

Subject to the *Insurance Contracts Act*, this Policy has a number of events whereby this Policy will automatically expire. These policy expiration events can be found under the heading Policy term on page 11.

How We pay claims

We shall pay all benefits under this Policy to Your Financier, with the exception of the 'benefits included' which may be paid to You in the event that you are no longer indebted to the financier of your vehicle .

8. How to apply for this insurance and Our contract with You

We will use the information You supply to Australian Reliance's authorised representative prior to the start of Your Policy to determine the terms of cover We will provide.

The terms of cover are contained in this PDS and the most recent Schedule that We issue to You.

The Schedule will contain information about Your cover, including the period of insurance, the type and the amount of cover and whether any standard terms have been varied by way of endorsement to the Policy.

You should keep all of the Policy documents in a safe place along with receipts and other evidence of Your ownership of the Motor Vehicle.

9. The Premium

The cost of the insurance is called the premium. We calculate the premium based on the level of cover provided.

Premiums are also subject to Commonwealth and State taxes and/or charges, including Fire Services Levy (where applicable), GST and stamp duty as well as any additional charges including fees and commissions.

Please note that the cover We provide is subject to payment of the premium.

10. Your duty of disclosure

Your Duty of disclosure

Before You enter into a contract of insurance with Us, You have a duty, under the Insurance Contracts Act 1984, to disclose to Us every matter that You know, or could reasonably be expected to know, that is relevant to Our decision as to whether to accept the risk of the insurance and, if so, on what terms.

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

Your duty, however, does not require disclosure of a matter:

- That diminishes the risk to be undertaken by Us; or
- That is of common knowledge; or
- That We know or, in the ordinary course of Our business, ought to know; or
- As to which compliance with Your duty is waived by Us.

When does the duty apply?

The duty to disclose a matter applies until the proposed contract is entered into.

Non disclosure

If You fail to comply with Your duty of disclosure or make a misrepresentation to Us, We may be entitled to reduce Our liability under the contract in relation to a claim and / or may cancel the contract.

If the non disclosure or misrepresentation is fraudulent, We may also have the option of refusing to pay a claim and treating the contract as never having been in force.

Who needs to disclose

You are answering questions on behalf of both Yourself and anyone else You want to be covered by this insurance. The duty of disclosure applies to You and everyone else insured by the Policy.

11. Cooling off

You may return the Policy to Us within 14 days from the date the Policy commenced with a written notice stating that the Policy is not required and We will refund the premium to You in full provided that neither a claim has been made under the Policy or anything has occurred for which a claim is payable.

12. Cancellation

Your Policy may be cancelled in one of the following ways:

When You may cancel

You can cancel Your Policy at any time.

Notice to Australian Reliance at Level 15, 499 St Kilda Road, Melbourne VIC 3004 or its authorised representative is required from You, or Australian Reliance's authorised representative if You want to cancel Your Policy. Such cancellation shall be effective from the date Your notice is received by Australian Reliance or its authorised representative, or such later date as specified by You. Provided no claim has or can be made under this Policy. We will refund the premium for the unexpired period of insurance subject to Us retaining a minimum premium of \$30

When We may cancel or avoid the Policy

We may cancel Your Policy in accordance with the law by giving You written notice to Your address on Our file if

You:

- (a) fail to comply with Your duty of utmost good faith;
 - (b) fail to comply with Your Duty of Disclosure;
 - (c) fail to comply with a provision of Your Policy, including a provision with respect to payment of premium;
- or
- (d) make a fraudulent claim under Your Policy or any other policy of insurance;

We will give You a written notice of cancellation on behalf of Us sent to Your address on Our file.

We will refund the premium for the unexpired Period of Insurance (unless a Total Loss has been paid). Each of the above conditions apply only to the extent that We are able to rely on the condition in relation to the cover provided by them.

13. How to make a claim

If You need to make a claim please refer to the heading "Making a claim" on page 12. You should first contact Australian Reliance or its authorised representative.

14. Dispute resolution

Commitment to Service

Chubb's Internal Dispute Resolution Process is evidence of Chubb's commitment to service.

Recognising the consumer's right to be heard and to be informed, Chubb established an Internal Dispute Resolution Panel to handle any unresolved complaints. It underscores Chubb's commitment to acting fairly and honestly with its customers.

If You are not satisfied with any aspect of the service that You receive in relation to the Lease Guard Policy, then Chubb appreciates You letting Us know.

Who should You talk to?

The Claims Department Manager, Melbourne should be contacted if Your complaint is regarding how Chubb or any of its investigators, assessors or loss adjustors, have handled Your claim under the Policy.

The Claims Department Manager, Melbourne can be contacted via:

Email: markpeters@chubb.com

Phone: 03 9242 5190

Fax: 03 9642 0909

Post: Chubb Insurance Company of Australia
Level 14, 330 Collins Street, Melbourne, VIC 3000

The Customer Service Department Manager should be contacted regarding any other complaint You have with the Policy or any other service that You have received.

The Customer Service Department Manager can be contacted by calling your nearest Chubb Office or by writing to Chubb Insurance Company of Australia Ltd.

Chubb Insurance Company of Australia Ltd. Contact details of our offices can be found in Section 3 of this document.

In the alternative, your claims or non-claims complaint can be submitted to Chubb's dedicated complaints email address at Aus.complaints@chubb.com.

Treatment of complaints.

If Chubb has not resolved your complaint to your satisfaction within 2 days Chubb will treat your complaint as a dispute. That will involve, if necessary, convening an internal dispute resolution panel at its own initiative. Chubb may do so at any time between the second (2nd) and fortieth (40th) day after your complaint has been received. In any event Chubb will resolve your complaint within 45 days of its receipt.

What else will Chubb do?

If Your contact with the Claim Department Manager or the Customer Service Department Manager does not resolve Your complaint to Your satisfaction, You may request that Your complaint be referred to Chubb's Internal Dispute Resolution Panel. Chubb will acknowledge Your request within 48 hours. The Internal Dispute Resolution Panel must consider Your complaint and give You its decision within 15 business days of Your request for referral. If the Internal Dispute Resolution Panel is unable to make a decision, the reasons why it is unable to make a decision and the revised time frame will be given to You within 15 business days of Your request for referral.

If the Internal Dispute Resolution Panel decides that Your complaint is justified then it will authorise such action as is necessary within Chubb to remedy Your complaint. If Your complaint is not considered justified, the Internal Dispute Resolution Panel will inform You and let You know what avenues are available should You wish to pursue Your complaint further.

What if Chubb cannot resolve Your complaint?

If Your complaint is not satisfactorily resolved or answered, You may refer the matter to the Financial Ombudsman Service ("FOS").

The FOS are independent operators of the External Dispute Resolution Procedure of which Chubb is a member. The FOS is a free service and they will tell You if they can help You as their services are not available to all customers. You may contact Chubb and We will assist You in making a complaint to the FOS or You may contact them directly at:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Free call: 1300 78 08 08
Facsimile: 03 9613 6399
Email: info@fos.org.au
Website: www.fos.org.au

Where the FOS is not able to assist You, You may be able to take Your complaint to the small claims or other court in Your jurisdiction or Your local consumer tribunal.

15. Privacy

Chubb Insurance is committed to protecting your privacy. Chubb Insurance collects, uses and retains your personal information in accordance with the *Privacy Act 1988*. Our detailed privacy policy is available on our website at www.chubbinsurance.com.au

Chubb Insurance collects your personal information (which may include health information) when you are applying for, changing or renewing an insurance policy with us or when we are processing a claim. We collect the information to assess your application for insurance, to provide you or your organisation with competitive insurance products and services and administer them and to handle any claim that may be made under a policy. If you do not provide us with this information, we may not be able to provide you or your organisation with insurance or to respond to any claim.

We may disclose the information we collect to third parties, including contractors and contracted service providers engaged by us to deliver our services or carry out certain business activities on our behalf such as call centres, external valuers and appraisers, loss adjusters and other investigators, professional advisers such as accountants and lawyers, other companies in the Chubb Insurance group (including members of the Chubb

Group which are located outside Australia), other insurers, our reinsurers, and government agencies (where we are required to by law). These third parties may be located outside Australia.

You agree to us using and disclosing your personal information as set out above. This consent remains valid unless you alter or revoke it by giving written notice to our Privacy Officer.

From time to time, We may use your personal information to send you offers or information regarding our products that may be of interest to you. If you do not wish to receive such information, please contact our Privacy Officer using the contact details provided below.

If You would like to access a copy of your personal information, or to correct or update your personal information, please contact our customer relations team on or email

If you have a complaint or want more information about how Chubb Insurance is managing your personal information, please contact:

The Privacy Officer
Chubb Insurance Company of Australia Ltd.
Citigroup Centre, Level 29,
2 Park Street
SYDNEY NSW 2000

16. Updating Your Motor Finance Gap Protection details

If You have changed Your address or require any other personal details to be altered, please advise Australian Reliance or its authorised representative.

17. Updating Our PDS

We may need to update the information contained in Our PDS from time to time (where allowed to or required by law). We will issue You with a new PDS or a Supplementary PDS or other compliant document to update the information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this product, We may issue You with notice of this information in other forms or keep an internal record of such changes (You are welcome to get a paper copy free of charge by calling Us).

PART 2 – MOTOR FINANCE GAP PROTECTION POLICY WORDING

1. Our Agreement

Provided You have paid the premium, We will insure you during the period of insurance subject to the terms and conditions of this policy.

The policy wording, schedule and any other endorsements or notices We may give You in writing, form Our agreement and together set out the terms and conditions.

2. The Coverage

The cover provided

From the Commencement Date, We will pay to the Financier Your Indebtedness on the Loan Contract to the Financier after the Motor Vehicle has been deemed a Total Loss and following Total Loss Payout of the Market Value or Agreed Value by the Comprehensive Motor Vehicle insurer, up to the limit of coverage.

The maximum limit of cover provided under Your policy is \$15,000

Coverage is, subject to the terms, conditions and exclusions of this Policy.

Benefits Included

Provided You supply Us with satisfactory proof of Your actual loss, We will also provide cover for the following benefits until the limit of coverage is exhausted:

Benefits Included	Maximum Amount Payable
Additional Expenses Cover	We will cover any additional expenses incurred as a direct or indirect result of the Total Loss of your Motor Vehicle, subject to a maximum of \$2,000

3. Definitions

Agreed Value means the sum insured that You and Your Comprehensive Motor Vehicle Insurer have agreed to insure Your Motor Vehicle for.

Comprehensive Motor Vehicle Insurance means the Insurance Policy that provides cover for accidental loss or damage for Your Motor Vehicle or subsequent continuous renewal of this insurance being in force at the date of the incident resulting in the Total Loss.

Financier means the Company providing finance for the purchase of Your Motor Vehicle.

Indebtedness means the amount owing to Your Financier under your Loan Contract as at the date of the incident resulting in the Total Loss less the Total Loss Payout provided by Your Comprehensive Motor Vehicle Insurance.

Loan Contract means the Finance contract taken out for the purchase or lease of Your Motor Vehicle described in the Schedule and payment of any Motor Vehicle related expenses.

Market Value means the current Market Value of Your Motor Vehicle immediately prior to the incident resulting in the Total Loss as determined by Your Comprehensive Motor Vehicle Insurer.

Motor Vehicle means the Motor Vehicle insured under the Comprehensive Motor Vehicle Insurance including its standard equipment, tools and accessories that were in or attached to the Motor Vehicle at the time of purchase.

Schedule means a Certificate of Currency containing information about Your cover, including the period of insurance, the type and amount of cover and whether any standard terms have been varied by way of endorsement to the policy.

Terrorism means the use or threatened use of force or violence against person or property; commission of an act dangerous to human life or property; or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by an person or group, whether or not acting on behalf of or in connection with any organisation, government, power, authority or military force, when the effect is to intimidate or coerce a government, the civilian population or any segment thereof, or to disrupt any segment of the economy. Terrorism shall also include any act which is verified or recognised by the government of any country in which the insured operates or exports products into, as an act of Terrorism.

Total Loss means that Your Motor Vehicle has been stolen and not recovered and/or has been damaged beyond economical repair and has been deemed a total loss by Your Comprehensive Motor Vehicle Insurer.

Total Loss Payout means the payout of either the Market Value or the Agreed Value by Your Comprehensive Motor Vehicle Insurer following the Total Loss of Your Motor Vehicle.

Underlying Policy means Comprehensive Motor Vehicle Insurance policy.

We, Us and Our means Chubb Insurance Company of Australia Limited ABN 69 003 710 647 AFSL No. 239778.

You and Your means the person named in the Schedule as being the insured.

4. Exclusions and Limitations

You must have paid the Motor Finance GAP insurance premium before We will pay any claim.

The below items are not covered by this Policy:

- Any penalty payments for early discharge or additional interest payments under Your Loan Contract, other than where such payments are directly attributable to Your Motor Vehicle being deemed a Total Loss.
- The amount of any increased liability solely attributable to a variation to Your Loan Contract.
- Any arrears, deferred payments, overdue or outstanding interest payments or late charges owed to the Financier at the time Your Motor Vehicle becomes a Total Loss.
- Any liability for You to pay the Goods and Services Tax unless You are not a registered entity within the meaning of the *A New Tax System (Goods and Services Tax) Act 1999*.
- Except for the application of a policy excess or deductible, payment if Your Comprehensive Motor Insurer does not pay out the full Market Value (on a Market Value insurance policy) or the full Agreed Value (on an Agreed Value insurance policy) following a Total Loss for any reason whatsoever.
- Payment for more than one claim on this policy.
- Any claim arising out of war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, invasion, act of foreign enemy, civil commotion, factional civil commotion, military or usurped power, rebellion or revolution.
- Any claim arising directly or indirectly as a result of or in connection with Terrorism.

5. Policy term

This policy will expire and cover will cease on any of the following events:

- When the period of insurance expires or
- If the policy is cancelled; or
- If Your finance contract or lease is paid out, discharged, refinanced or terminated; or
- If Your Motor Vehicle is no longer covered by a Comprehensive Motor Vehicle Insurance policy; or
- A valid claim is made under this Policy.

6. Policy Cancellation

You may cancel this policy at any time prior to the occurrence of a loss by notifying either Australian Reliance or its authorised representative in writing that You want to cancel the policy. The refund will be calculated on a pro rata basis subject to Us retaining a minimum premium of \$30. If the premium was financed then the refund will be forwarded to Your Financier.

7. Policy acts in excess of Underlying Motor Policy

It is a condition that the Underlying Policy will act as primary insurance whereas Our policy will act solely in excess of the Underlying Policy but for no broader coverage than the terms, limitations and conditions of this policy.

8. Making a Claim

Contact Australian Reliance for a claim form as soon as You suffer a Total Loss. You must fully complete the form, sign and return it to Australian Reliance as soon as possible. You must give Australian Reliance any other information We ask for to support Your claim and provide assistance when required.

Australian Reliance's contact details are provided below:

Address: Level 15, Fawkner Centre, 499 St Kilda Road, Melbourne, VIC, 3004

Telephone: (03) 9864 4444

Facsimile: (03) 9867 5110

Australian Reliance will also require that You authorise:

- Your Comprehensive Motor Insurer to release all documents relevant to any payout. under Your Comprehensive Motor Vehicle Insurance policy.
- The Financier to release all documents relevant to verify the amount You owe the Financier under the Loan Contract.

9. Australian Law and Currency

You must be an Australian Resident to be covered by this Policy.

Your Policy is governed by the laws of the State or Territory in which You normally reside. Any dispute or action in connection with Your Policy shall be conducted and determined in the courts of the State or Territory in which You normally reside.

All Payments by You to US and Us to You or Your Financier must be in Australian currency.