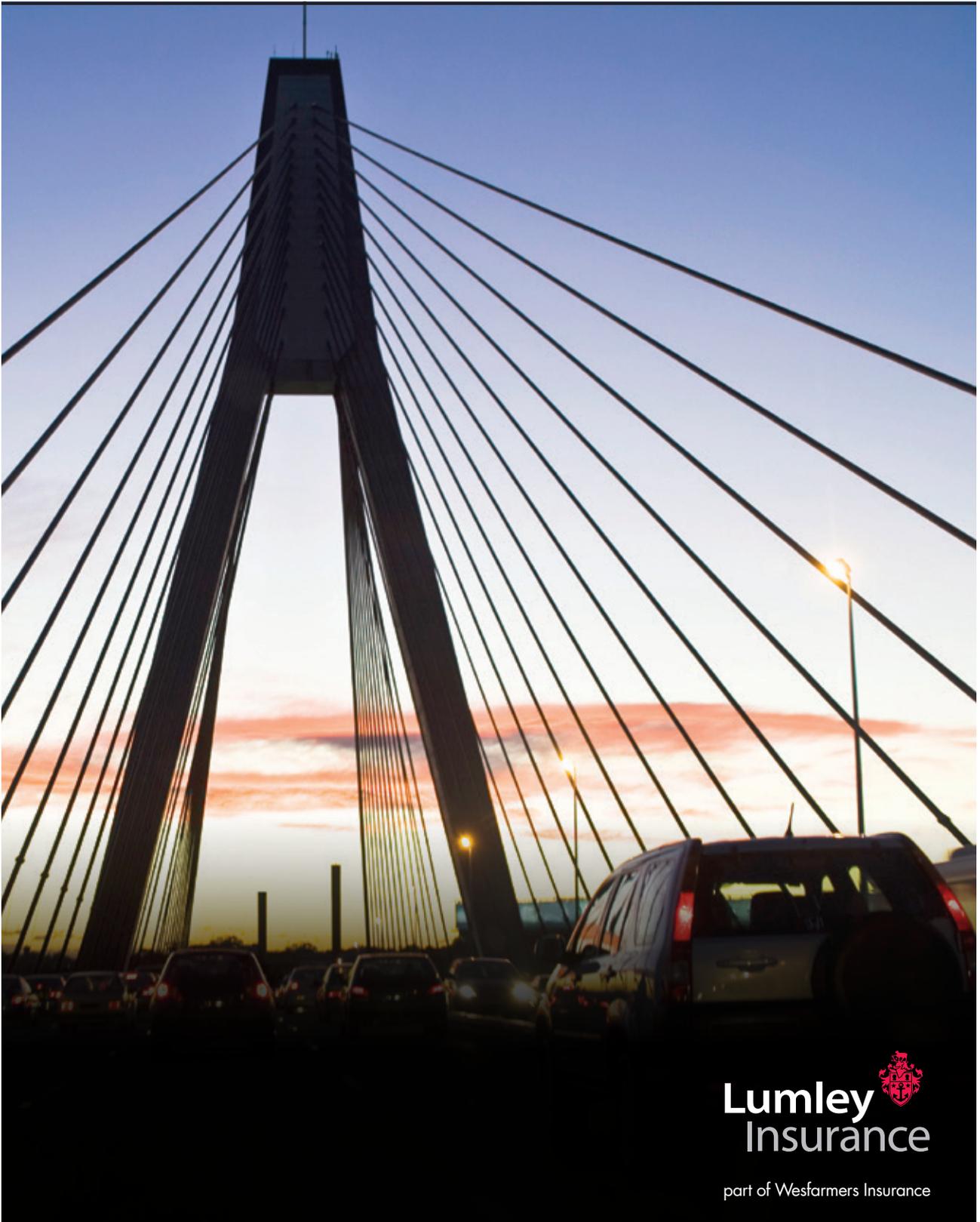


# Motor Vehicle Fleet

## Policy Wording and Product Disclosure Statement



**Lumley**   
**Insurance**

part of Wesfarmers Insurance

# Motor Vehicle Fleet

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## The insurer of this product is:

Wesfarmers General Insurance Limited,  
trading as Lumley Insurance

ABN 24 000 036 279

AFS Licence No. 241461

Head Office

Lumley House

Level 9, 309 Kent Street

Sydney NSW 2000

Phone (02) 9248 1111

Fax (02) 9248 1122

Preparation Date: 30 April 2013

## Policy Wording and Product Disclosure Statement

This document contains important information to help You:

- decide whether this product meets Your requirements; and
- compare this product with others You may be considering.

Before You decide whether to purchase this product, You should read this document carefully to understand its features, benefits, terms and conditions.

You should read:

- the Important Notices part – it contains information on important matters You need to be aware of before applying for this product; and
- the policy which details the terms and conditions of this product; and
- any other documents We provide to You about this product which may change the standard cover.

### NEW SOUTH WALES

Lumley House  
Level 9, 309 Kent Street  
Sydney NSW 2000  
Phone: (02) 9248 1111  
Fax: (02) 9248 1122

50 Glebe Road  
The Junction  
Newcastle NSW 2291  
Phone: (02) 4925 7500  
Fax: (02) 4940 0295

### CANBERRA

Level 4, 10 Rudd Street  
Canberra City ACT 2600  
Phone: (02) 6279 0333  
Fax: (02) 6279 0330

### VICTORIA

Level 3, 99 King Street  
Melbourne VIC 3000  
Phone: (03) 8627 4333  
Fax: (03) 8627 4312

### TASMANIA

Level 1, 27 Paterson Street  
Launceston TAS 7250  
Phone: (03) 6345 4700  
Fax: (03) 6345 4711

### SOUTH AUSTRALIA

465 Pulteney Street  
Adelaide SA 5000  
Phone: (08) 8228 1700  
Fax: (08) 8228 1777

### WESTERN AUSTRALIA

Level 9, 50 St George's Terrace  
Perth WA 6000  
Phone: (08) 9220 8222  
Fax: (08) 9220 8251

### QUEENSLAND

Level 2, 99 Melbourne Street  
South Brisbane QLD 4101  
Phone: (07) 3307 4800  
Fax: (07) 3307 4899

### NORTHERN TERRITORY

Level 2, Beagle House  
38 Mitchell Street  
Darwin NT 0800  
Phone: (08) 8946 4600  
Fax: (08) 8946 4666

# Motor Vehicle Fleet

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# Important Notices

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## APPLYING FOR COVER

To apply for cover You should contact Your adviser (insurance broker) who will arrange a quotation on Your behalf. Your adviser can help tailor cover to best suit Your needs. We will use the information supplied by You or Your adviser to decide whether We will issue You with insurance cover and the terms of cover We will offer to provide. We provide cover to You on the terms contained in this document and the Schedule We issue to You.

If You decide to accept the quotation terms provided, We will issue Your adviser with a Schedule. The Schedule will contain important information relevant to Your insurance including the Period of Insurance, the Premium, details of Your Vehicle(s), the Excess(es) that will apply and whether any standard terms have been varied by way of endorsement.

At least 14 days before the Policy expires We will send You or Your adviser a notice which tells when the Policy will expire and whether We are prepared to negotiate to renew or extend the cover and on what terms.

## SUMMARY OF COVER

The Policy cover can be tailored to meet Your requirements. By way of summary, You may choose Comprehensive Cover (Sections 1 and 2), Vehicle Cover Only (Section 1) or Third Party Only Cover (Section 2):

### a) Section 1 – Vehicle Cover

this provides You with cover for Loss or damage to Your Vehicle as a result of an Accident occurring within Australia or New Zealand during the Period of Insurance up to the amount We have agreed upon.

### b) Section 2 - Third Party Liability Cover

this provides You (and certain other persons) with cover for legal liability for Loss or damage to someone else's property as a result of an Accident arising out of the use of Your Vehicle within Australia or New Zealand, during the Period of Insurance up to the limit of liability.

### c) Additional Benefits apply for each cover

(see each of these Cover Sections for details).

Extension Covers apply to Section 1 Cover and Section 2 Cover to extend the available cover without increasing the specified limits in the Policy (refer 'General Extensions' in the Policy for details).

We only provide cover up to the amount(s) and limits specified in the Policy and subject to its other terms, conditions and exclusions.

Refer to the Cover Sections for details of the basis on which We settle any valid claim.

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

If You do not adequately insure Your Vehicle(s), You may have to bear the uninsured proportion of any Loss or liability.

## EXCESS

An Excess is the amount You must contribute towards the cost of a claim and is payable for each and every claim covered by the Policy. The 'Excess' is shown in the Schedule and You may have to pay additional Excesses. In some cases, We will waive the requirement for You to pay an Excess (refer 'General Conditions' 2 in the Policy Wording for details).

## EXCLUSIONS/CONDITIONS/CANCELLATION

Subject to the Insurance Contracts Act 1984 (Cth) We may refuse to pay or reduce the amount We pay under a claim in certain circumstances. In particular:

- a) where an exclusion applies; or
- b) if You do not comply with the terms and conditions of the Policy; or
- c) if You do not comply with Your duty of disclosure or make a misrepresentation; or
- d) if You make a fraudulent claim.

We may only cancel the Policy in certain circumstances where We are permitted to do so by law and in particular under the Insurance Contracts Act 1984 (Cth), e.g. if You fail to comply with a condition or breach Your duty of disclosure.

You can cancel Your Policy at any time by writing to Us. If You do, the cancellation will take effect when We receive Your request or from any later date You tell Us. If You cancel, other than under the 'Cooling Off Period' below, We refund the premium less an amount which covers the period for which You were insured, reasonable administrative costs relating to the issue and cancellation of the Policy and any government taxes or charges that are non-refundable and subject to the retention of any declared minimum premium.

However if You have made a claim or are entitled to make one under the Policy, We will not refund the premium for any unused portion and We may deduct the amount of any premium already refunded to You from any claim payment paid or payable to You.

## Important Notices

### OTHER PARTY'S INTERESTS

We only cover persons specified in the Policy as entitled to cover for the relevant interest specified unless we specifically agree to cover the interest of another party. If You want to cover a person's interest that is not specified You need to apply to Us for this. If We agree to cover the interest of another party, the details will be noted on Your Schedule.

### PREMIUM CALCULATION

The insurance provided is subject to Your payment or agreement to pay the premium We require by the agreed time. The contract between You and Us will only come into existence when You pay the premium. If You have not paid the amount payable for the premium by the agreed time, You are not insured.

In order to calculate premium various factors are considered, including but not limited to the:

- a) type of Vehicle(s);
- b) value of Vehicle(s);
- c) type of cover requested;
- d) age of regular drivers;
- e) location and operating radius of the Vehicle(s);
- f) claims history from prior years;

Your premium also includes amounts payable in respect of compulsory government charges and any taxes (including stamp duty and GST).

When You apply for this insurance, You will be advised of the total amount payable as the premium. If You choose to effect cover, the amounts due will be clearly set out in the Schedule.

### THE DUTY OF DISCLOSURE

#### Your duty of disclosure for a new Policy

The Insurance Contracts Act 1984 (Cth) (ICA) requires that any information that We seek must be collected by a specific question.

### WHAT YOU MUST TELL US

When answering Our questions, You must be honest and You have a duty under the ICA to tell Us anything known to You, and which a reasonable person in the circumstances, would include in answer to the question. We will use the answers in deciding whether to insure You and anyone else to be insured under the Policy, and on what terms.

### WHO NEEDS TO TELL US

It is important that You understand You are answering Our questions in this way for Yourself and anyone else that You want to be covered by the Policy.

### IF YOU DO NOT TELL US

If You do not answer Our questions in this way, We may reduce or refuse to pay a claim, or cancel a Policy. If You answer Our questions fraudulently, We may refuse to pay a claim and treat the Policy as never having worked.

### YOUR DUTY OF DISCLOSURE BEFORE YOU RENEW, EXTEND, VARY OR REINSTATE YOUR POLICY

You have a duty, under the ICA, to disclose to Us every matter that You know, or could reasonably be expected to know, is relevant to Our decision whether to accept the risk of the insurance and, if so, on what terms.

Your duty however does not require disclosure of a 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;
- where compliance with Your duty is waived by Us.

When answering any questions, You must be honest.

We will use the information You disclose in deciding whether to insure You and anyone else to be insured under the Policy, and on what terms.

### CONSEQUENCE OF NON-DISCLOSURE

If You fail to comply with Your duty of disclosure for a new Policy, or before You renew, extend, vary or reinstate Your Policy We may be entitled to reduce Our liability under the Policy in respect of a claim or may cancel it. If Your non-disclosure is fraudulent, We may also have the option of avoiding the Policy from its commencement.

### GOODS AND SERVICES TAX (GST)

The amount of premium payable for the Policy includes an amount on account of the GST.

All amounts insured by the Policy are in accordance with the advice You have given to Us regarding Your GST status and the GST status of the items to be insured. Any claim settlements, up to the total of all amounts insured, will be calculated with reference to your GST status and the GST status of the property which is the subject of the claim.

# Important Notices

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We will not be liable to pay any GST, or any fine, penalty or charge that You are liable for arising out of Your misrepresentation of, or failure to disclose, Your proper input tax credit entitlement on the premium relating to the Policy.

In respect of Your Policy with Us, where You are registered for GST purposes, You should calculate Your proposed Sums Insured with reference to the GST status of each Vehicle or item of property to be insured. Depending on the GST status of each Vehicle or item of property to be insured, the Sum Insured may or may not include a GST component. An amount for GST should only be included in the Sum Insured if the Vehicle or item of property to be insured is not used 100% for business use. All Vehicles or items of property to be insured used 100% for business use should be insured on a GST exclusive basis. Any claim settlements, up to the total of all amounts insured, will be calculated with reference to Your GST status and the GST status of the property which is the subject of the claim.

This outline of the effect of the GST on Your Policy is for general information only. You should not rely on this information without first seeking expert advice on the application of the GST to Your particular circumstances.

## UNDERINSURANCE

It is Your responsibility to ensure that the Sum Insured of the Vehicle or property You want insured by this Policy are adequate.

You should review the adequacy of the Sum Insured periodically during the Period of Insurance and prior to each renewal year.

## COOLING OFF PERIOD

If You are not completely satisfied with the Policy You may cancel it by notifying Us in writing within 30 days of cover having commenced that You wish to do this. You will receive a refund of the premium amount You have paid unless You have made a claim or something has occurred which would entitle You to make a claim under the Policy.

## CONFIRMING TRANSACTIONS

You may contact Us, in writing or by phone, to confirm any transaction under the Policy if You or Your adviser do not already have the required Policy confirmation details.

## CODE OF PRACTICE

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry. We are a signatory to the Code of Practice. You can obtain more information on the Code of Practice and how it assists You from Your insurance agent or broker or Our office.

## COMPLAINTS PROCEDURE

We will do everything possible to provide a quality service to You. However, We recognise that occasionally there may be some aspect of Our service or a decision We have made that You wish to query or draw to Our attention.

Wesfarmers has a complaints and dispute resolution procedure which undertakes to provide an answer to Your complaint within 15 working days.

If You would like to make a complaint or access Our internal dispute resolution service please contact Your nearest Lumley Insurance office and ask to speak to a dispute resolution specialist.

If You are not happy with Our answer, or We have taken more than 15 working days to respond, You may be able to access the services of an independent external dispute resolution body approved by ASIC called Financial Ombudsman Service (FOS).

The FOS resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to You. Lumley Insurance is bound by the determination of FOS but the determination is not binding on You.

The FOS contact details are as follows:

The Financial Ombudsman Service  
GPO Box 3, Melbourne VIC 3001  
General Inquiries: 1300 78 08 08  
Website: [www.fos.org.au](http://www.fos.org.au)  
Email: [info@fos.org.au](mailto:info@fos.org.au)



# Important Notices

## OUR PARTNERED REPAIR NETWORK

We have established an elite repairer network system. Members of Our Partnered Repair Network must meet Our stringent acceptance criteria which require the highest standards of repair and service.

Our Partnered Repair Network (PRN) aims to save policy holders time and stress in the event of a motor accident. To search for a Partnered Repairer you can go to a special interactive PRN locator page which provides searching and direction functionality by visiting [www.lumley.com.au](http://www.lumley.com.au) or alternatively you can download the new PRN app available for Apple mobile devices from the app store.

When You use a repairer from Our Partnered Repair Network You do not need to shop around for quotes and We guarantee:

- a) the quality of repairs and workmanship involved in the repair; and
- b) that the structural integrity of Your Vehicle has been maintained.

You may choose Your own repairer, but if You do, We will not provide this guarantee and may require You to provide quotations for the repair of Your Vehicle.

We are a signatory to the Motor Vehicle Insurance and Repair Industry Code of Conduct. The voluntary Code is intended to promote transparent, informed, effective and co-operative relationships between smash repairers and insurers based on mutual respect and communication. For further information about the Code visit the website: [www.abrcode.com.au](http://www.abrcode.com.au)

## HOW TO MAKE A CLAIM

In the event of an incident occurring which requires You to make a claim against the Policy, contact Our 24 Hour Accident Assist Line on 1800 652 256, or Your advisor, or any of Our Partnered Repair Network members listed on Our website [www.lumley.com.au](http://www.lumley.com.au)

Please refer to the Claims Procedures contained in the General Conditions section of the Policy.

## PRIVACY

We are bound by the National Privacy Principles (NPP) or any successors to the NPP and comply with the Privacy Act 1988 (Cth).

We collect personal information which is necessary to provide Our services for underwriting and administering Your insurance, claims handling, market and customer satisfaction research and to develop and identify products and services that may interest You.

We may disclose Your personal information to companies in the same group, our agents, overseas service providers, other insurers, mailing houses and document service providers, financial institutions, insurance and claim reference agencies, credit agencies, loss assessor and adjusters, financial or investigative service providers, internal dispute resolution officers, dispute resolution providers such as the FOS.

We use and disclose Your personal information for the purposes of providing insurance, including arranging insurance, Policy administration, claims handling and dispute resolution. When you provide information about other individuals you must make them aware of the disclosure and the use to which the personal information will be put.

If your personal information is collected or supplied to a foreign organization we will ensure it will be held, used or disclosed only in accordance with the NPP or their successors.

If You would like more details about Our Privacy Policy, would like to seek access to or correct Your personal information, or opt out of receiving material We send, please contact Us.

You can also view a copy of Our Privacy Policy on Our website at [www.lumley.com.au](http://www.lumley.com.au)

## UPDATING OUR PRODUCT DISCLOSURE STATEMENT

Only the parts of this document relevant to insurance cover provided to You as a 'retail client' as defined under the Corporations Act 2001 (Cth) and any other documents We tell You are included, make up Our PDS. Other documents may form part of Our PDS. If they do, We will tell You in the relevant document. We may update the information contained in Our PDS when necessary. A paper copy of any updated information is available to You at no cost by contacting Your adviser, by calling Us or accessing Our website, [www.lumley.com.au](http://www.lumley.com.au). We will issue You with a new PDS or a supplementary PDS, where the update is to rectify a misleading or deceptive statement or an omission, which is materially adverse from the point of view of a reasonable person deciding whether to obtain this insurance.

# Important Notices

## INTERMEDIARIES, GENERAL ADVICE SERVICES PROVIDED BY LUMLEY INSURANCE

Lumley Insurance is an Australian Financial Services licensee (No 241461) and is authorised under its licence to deal in and provide general advice about this insurance.

Any advice We or Our representatives provide is general only and does not take into account Your personal objectives, financial situation or needs. Because of this You should, before acting on the advice, decide if it is right for You and consider the information contained in this document carefully.

Lumley Insurance's employees are paid an annual salary and possibly bonuses based on performance criteria and achievement of company goals. They are not otherwise remunerated for any advice or dealing service that they provide to You unless they tell You otherwise.

If an intermediary has been used to arrange the Policy, We may pay them remuneration such as a commission or fee.

## TERRORISM INSURANCE ACT 2003 (CTH)

This Policy excludes cover for Losses as a result of Terrorism.

In the event that damage to property occurs and the cause of the damage is declared a terrorist incident by the responsible Minister, then You may be afforded protection within the limits of indemnity of this Policy by virtue of the Terrorism Insurance Act 2003. The operation of this Act may also serve to reduce the settlement of Your Loss to a percentage of the otherwise recoverable Loss. In the event that the settlement is reduced then this will be at the direction of the Minister.

A more detailed explanation of the operation of the Terrorism Insurance Act 2003 can be obtained at [www.arpc.gov.au](http://www.arpc.gov.au).

## FINANCIAL CLAIMS SCHEME

Some sections of this Policy may be a 'protected Policy' under the Federal Government's Financial Claims Scheme (FCS) which only applies in the event of an insurer becoming insolvent and the Federal Treasurer declaring that the FCS will apply to that insurer.

Payment of a claim under the FCS is subject to the Scheme's eligibility criteria being met.

Information about the FCS can be obtained from the Australian Prudential Regulation Authority at [www.apra.gov.au](http://www.apra.gov.au) or by calling 1300 558 849.

## CLAIM PAYMENT EXAMPLES

The following examples are designed to illustrate how a claim payment might typically be calculated. The examples do not cover all scenarios or all benefits and do not form a part of the Policy terms and conditions. They are a guide only.

### Claim Example – Damage to Your Vehicle

You have cover for Your Vehicle under Section 1 with an Excess of \$1,000. Your Vehicle is involved in a collision. The driver of Your Vehicle is at fault in the collision. The cost of repairs to Your Vehicle is \$3,000.

**The amount We will pay the repairer is: \$2,000 (\$3,000 less the Excess of \$1,000). You must pay the \$1,000 Excess to the repairer.**

**Total Claim Payment: \$2,000**

### Claim Example – Theft of Your Vehicle

You have cover for Your Vehicle under Section 1 with an Excess of \$1,000. Your Vehicle is stolen and recovered damaged ten days later.

The cost of repairs to Your car is \$4,500.

**The amount We will pay the repairer is: \$3,500 (\$4,500 less the Excess of \$1,000). You must pay the \$1,000 Excess to the repairer.**

**Total Claim Payment: \$3,500**

### Claim Example – Third Party Property Damage

You have cover under Section 2 for Liability to Third Parties with an Excess of \$1,000.

Your Vehicle is involved in a collision which damages another vehicle. The driver of Your Vehicle is at fault in the collision. The cost of repairs to the other vehicle involved in the collision is \$12,000.

**You must pay the \$1,000 Excess to Us and We will pay the other party \$12,000.**

**Total Claim Payment: \$11,000**

# Policy Wording

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## DEFINITIONS

In the Policy some words have a special meaning. Their meaning is listed below.

**“Accident” or “Accidental”** means unintended, unforeseen, fortuitous or unanticipated happening or mishap, which is not expected or designed.

**“Act of Terrorism”** means an act, including but not limited to the use or threat of force or violence by any person 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 committed for, or in connection with political, religious, ideological, ethnic or similar purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

**“Aggregate Loss Limit”** means the maximum amount payable by You net of GST and net of any Excess applicable shown in the Policy Schedule, arising out of all Claims Incurred during the Period of Insurance.

**“Claims Incurred”** means the total of all claim payments, less any recoveries received plus any outstanding payments yet to be paid during a particular period. The amount is net of any applicable excess and net of GST.

**“Dangerous Goods”** means Freight that consists of goods defined as Dangerous Goods in the Australian Code for the Transport of Dangerous Goods by Road & Rail.

**“Dangerous Goods Code”** means the current Australian Code for the Transport of Dangerous Goods by Road & Rail.

**“Event Loss Limit”** means the amount shown on the Policy Schedule taken into account under the Aggregate Loss Limit in respect of any one Loss or series of Losses resulting from any one occurrence/event.

**“Excess”** means the amount specified in the Schedule and elsewhere in the Policy which You must contribute to each and every claim. The Excess applies to each of Your Vehicles and each claim on Your Vehicle.

**“Freight”** means goods transported by Your Vehicle for hire or reward.

**“Gross Vehicle Mass” or “GVM”** means the maximum weight a Vehicle can carry, including its own weight, according to the manufacturer’s specification.

**“GST”** means the Goods and Services Tax.

**“Loss” or “Losses”** means sudden physical Loss, damage or destruction to Your Vehicle(s) caused by an unexpected event not otherwise excluded.

**“Maintenance Float”** means the deposit required by Us and paid by You or on Your behalf at the commencement of the Period of Insurance in respect of uninsured Losses.

**“Market Value”** means Our assessment of the value of Your Vehicle immediately prior to Loss.

**“Modifications”** means any non-standard additions or alterations to Your Vehicle which affect its performance or handling.

**“Monthly Invoice”** means a detailed invoice, issued by Us to You on a monthly basis, detailing all uninsured Losses paid less all uninsured Losses recovered. The invoice will provide details of each transaction applied to each loss during the previous month.

**“Non-Standard Accessories”** means non-standard items, tools or equipment fitted to Your Vehicle as optional extras.

**“Period of Insurance”** means the period shown in the most recent Schedule or a subsequent period for which the Policy has been renewed.

**“Personal Property”** means personal items designed to be worn or carried but excluding personal computers, mobile phones, non-fixed GPS units, money, credit cards, musical instruments, curios, works of art or tools or items used in connection with a business or occupation.

**“Policy”** means this document, the Schedule and any other notice We give You in writing. Together they form the insurance contract.

**“Pollutant”** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acid, alkalis, chemicals, asbestos and any waste material regardless of whether or not such material is to be recycled, reconditioned or reclaimed by You or any other person.

**“Reasonable Costs”** means appropriate and fair expenses which are not excessive or extreme in matters of pricing.

**“Schedule”** means the attachment which forms part of the Policy and shows the Policy number, together with the details of Your cover.

**“Sum Insured”** means the greater of the Market Value of Your Vehicle or the lease payout figure of Your Vehicle. Where more than one Vehicle is lost or damaged as the result of one event, Sum Insured will mean the greater of the total of the Market Values or the lease payout figure of all Vehicles insured by this Policy.

**“Terra Firma”** means solid earth and refers to the dry land mass.

**“Third Party” or “Third Parties”** means a person who is not the Insured, or is not a person to whom cover is provided directly to by this Policy.

# Policy Wording

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**“Tool of Trade”** means use of Your Vehicle:

- a) for excavating, digging, grading, scraping, drilling, lifting by a mobile crane, pumping, spraying, vacuuming and similar activities;
- b) in the process of setting up for such operations and reverting from such operative format to a travel or transit configuration;
- c) whilst being moved simultaneously with or preliminary to or subsequent to, being used for excavating, digging, grading, scraping, drilling, lifting by a mobile crane, pumping, spraying,, vacuuming and similar activities; and
- d) whilst temporarily at rest prior to, or subsequent to, being used for excavating, digging, grading, scraping, drilling, lifting as a mobile crane, pumping, spraying, vacuuming and similar activities.

**“Total Loss”** means where We decide to pay You or the lessor or financier of Your Vehicle the full Sum Insured for the lost or damaged Vehicle. This is usually when the cost of repairs to Your Vehicle is more than the Sum Insured less any amount We can obtain for the Vehicle’s salvage. Where a Total Loss settlement has been made the cover on Your Vehicle is fully used and therefore cancelled from the date of Loss, with no refund of premium.

**“Uninsured Losses”** mean a Loss we handle on Your behalf which is not Insured under this Policy.

**“Vehicle(s)”** means any machine, including attachments, that is designed to operate on wheels or self-laid tracks and to be propelled by a power source other than manual, or animal power, described in the Schedule and including manufacturer’s standard tools and accessories and Non-Standard Accessories. Your Vehicle does not include any Modifications.

**“We”, “Us”, “Our”** means Wesfarmers General Insurance Limited, trading as Lumley Insurance, ABN 24 000 036 279.

**“You”, “Your”** means the insured named in the Schedule.

**“Your Business”** means the business as described in the Policy Schedule.

# Section One

## Cover for Your Vehicle

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### THE AGREEMENT

After You pay the premium within the time frame We require, We will indemnify You against Loss, or liability as described in the Policy occurring within Australia or New Zealand, during the Period of Insurance.

### SECTION 1 – COVER FOR YOUR VEHICLE

Under this section We will indemnify You for Loss to Your Vehicle occurring within Australia or New Zealand, during the Period of Insurance by paying, at Our option:

- to repair, reinstate or replace Your Vehicle; or
- an amount equal to Your Vehicle's Market Value; or
- an amount equal to the Sum Insured shown in the Schedule.

The maximum that We will pay in respect of Section 1 for any one Loss or all Losses arising from one event is the lesser of \$15,000,000 or the Sum Insured less any applicable Excess.

### ADDITIONAL BENEFITS – APPLICABLE TO SECTION 1

Save for additional benefit '18 Employee vehicles', an additional benefit is only payable if it arises as a result of and directly in connection with a Loss where We have paid or agreed to pay a claim under Section 1 – Cover for Your Vehicle. The additional benefits will serve to increase the maximum sum payable under Section 1 to a maximum cumulative total any one event of \$15,000,000. The additional benefits are subject to all the exclusions, terms and conditions of the Policy.

#### 1. New Replacement Vehicle

If as a result of a Loss Your Vehicle is treated by Us as a Total Loss, We will replace Your Vehicle with a new Vehicle of similar make and model (subject to local availability) provided that this additional benefit will only apply if Your Vehicle is:

- a sedan, station wagon, utility or goods carrying Vehicle with Gross Vehicle Mass less than 4.5 tonnes; and
- at the time Your Vehicle is deemed to be a Total Loss, Your Vehicle's original registration was less than 24 months old.

#### 2. Lease Payout

If Your Vehicle is damaged beyond an amount We consider economical to repair and the Market Value is less than the amount owing by You under a valid hire purchase, leasing or other finance agreement which applies to Your Vehicle, We will pay the lessor or financier an additional amount not

exceeding 25% of the Market Value but less any:

- payments and interest in arrears under the applicable hire purchase, leasing or other financial agreement at the time of Loss; and
- applicable discount in respect of finance charges and/or interest for the unexpired term of such an agreement; and
- applicable Excess.

#### 3. Removal and Retrieval Costs

We will pay the necessary and Reasonable Costs of removal or retrieval of Your Vehicle (excluding debris or load of Your Vehicle) to the nearest repairer or place of safety or to any other location approved by Us, up to a maximum of \$50,000 per event.

#### 4. Retrieval Costs

We will pay the Reasonable Costs of removing your Vehicle to a place of safety if your Vehicle becomes unintentionally immobilized, bogged or stranded other than as a result of mechanical, electrical or electronic failure, impact or Accident related damage during the Period Of Insurance.

We will not pay more than \$10,000 under this additional benefit in respect of all claims arising from one Loss or series of Losses arising from the one event.

#### 5. Removal of Debris

We will pay the Reasonable Costs and charges that are necessarily incurred to clean up or remove debris resulting from goods falling or leaking from Your Vehicle.

We will not pay more than \$50,000 under this additional benefit in respect of all claims arising from one Loss or series of Losses arising from the one event.

#### 6. Emergency Services

We will pay for any charges imposed by the Fire Brigade, Police or any other Government Emergency Services as a result of Loss covered by this Policy.

We will not pay more than \$50,000 under this additional benefit in respect of all claims arising from one Loss or series of Losses arising from the one event.

#### 7. Emergency Repairs

We will pay the Reasonable Costs of emergency repairs required to enable Your Vehicle to be moved to a place of safety, up to a maximum of \$3,000.

#### 8. Return of Vehicle following Theft

We will pay the Reasonable Costs of returning Your Vehicle to its usual place of garaging from the location Your Vehicle was

## Section One

# Cover for Your Vehicle

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recovered if Your vehicle is recovered following theft and the Vehicle has suffered no Loss.

We will not pay more than \$50,000 under this additional benefit in respect of all claims arising from one event.

### 9. Repatriation of Driver

We will pay the Reasonable Cost of travel and accommodation expenses necessary for the repatriation of the driver of Your Vehicle at the time of the Loss to his or her home as the result of Loss or Damage to a Vehicle, up to a maximum of \$5,000 per event.

### 10. Personal Property

We will pay the Reasonable Costs to repair or replace lost or damaged Personal Property of You or Your employees up to a maximum of \$2,500 in respect of any one event.

### 11. Glass

We will pay the Reasonable Cost to repair or replace damaged fixed glass where the glass is damaged as the result of a Loss, up to a maximum of \$1,000 per any one event. An excess will not be applied to a claim under this additional benefit but only where:

- a) Your Vehicle is under 4.5 tonnes GVM; and
- b) there is no damage to the Vehicle other than the damaged fixed glass or incidental scratching to the bodywork.

### 12. Funeral Expenses

Where as a result of a Loss, You or Your driver dies, payment will be made to the deceased's next of kin, or to a beneficiary nominated in the deceased's will or last testament, for funeral expenses and assisting with financial stress to the next of kin, up to a maximum of \$10,000 per any one event. This additional benefit will not apply in the event that the death of You or Your driver is a result of suicide.

### 13. Keys and Locks

If the keys or locks to Your Vehicle are lost or damaged or if there are reasonable grounds to believe Your keys or locks may have been illegally duplicated as a direct result of a Loss, We will pay the Reasonable Costs of replacing Your Vehicle keys or locks up to a maximum of \$10,000 per Vehicle and a maximum of \$50,000 for all claims from the one event.

### 14. Hiring Costs following Theft

Where there is a Loss which is the result of the theft of Your vehicle, We will also pay:

- a) the Reasonable Costs of hiring a replacement Vehicle of similar type to the Vehicle which has been stolen; and
- b) only for the earlier of:
  - i) a period of 21 days from the time of the Loss; or
  - ii) until the Vehicle is returned to You in its pre theft condition; or
  - iii) when We pay You for a Total Loss.

Under this additional benefit We will not pay for fuel, running costs or other charges.

### 15. Signwriting

We will pay the Reasonable Cost of reinstating signwriting or fixed advertising signs, murals, special art work, or materials, which formed a permanent part of Your Vehicle following Loss or damage to Your Vehicle.

### 16. Tarpaulins, Gates, Chains, Dogs and Straps

We will pay for the Reasonable Costs to repair or replace tarpaulins, gates, chains, dogs and straps lost or damaged as a result of a Loss, up to a maximum of \$10,000 per event. However this additional benefit will not apply to any theft claim, unless Your Vehicle has been stolen at the same time.

### 17. Disability Modifications

Where You or Your driver have been injured and permanently disabled in an event involving Loss to Your Vehicle, We will also pay the Reasonable Costs to a maximum of \$10,000 any one event, to carry out modifications to Your Vehicle require to allow for safe operation of Your Vehicle by You or Your driver due to the physical condition of You or Your driver as a result of the event.

### 18. Employee Vehicles

This Policy is extended to cover for Loss or damage to an employee's vehicle that occurs whilst the employee's vehicle is being used in connection with Your business and with Your consent.

Cover under this additional benefit will only apply where the employee's vehicle is not already covered by any other contract of insurance.

We will not pay more than \$50,000 under this additional benefit in respect of all claims arising from one event.

### 19. Tyre Replacement

We will pay the Reasonable Cost of replacing a tyre that is damaged and unable to be used again as a direct result of a Loss with a new tyre of similar make and specification to the

## Section One

# Cover for Your Vehicle

damaged tyre, provided that the condition of the damaged tyre's remaining tread conformed with all legal requirements at the time of Loss, and was not recapped or re-treaded.

### 20. Uninsured Motorist Protection

Where Your Vehicle is insured for Section 2 – Liability to Third Parties only as indicated in Your Policy Schedule, We will also pay for damage to Your Vehicle caused by, or arising from, a collision with another vehicle (other than vehicles owned by You or under Your control) provided that:

- a) the driver of the other vehicle is identified; and
  - i) has no insurance cover in respect of damage to Your Vehicle caused by such other Vehicle; and
  - ii) is substantially responsible for the Loss; and
- b) You agree that We can recover any amount We pay to You from the driver of the other vehicle on your behalf; and
- c) You agree not to take separate action in relation to the collision without Our written consent.

We will not pay more than \$10,000 under this additional benefit for all claims arising from one event.

### 21. Family Travel Expenses

Where You, or Your driver whilst driving Your Vehicle are injured and hospitalized as a result of an event covered by this Policy, We will pay the Reasonable Costs for transport, accommodation, meals and related expenses incurred by You or Your injured drivers immediate family to attend the hospital up to a maximum amount of \$2,500 per event, and a maximum of \$10,000 any one Period of Insurance.

### 22. First Aid Kit Expenses

Where You or your driver have been involved in an event causing injury to a Third Party and the event involves damage or loss to Your Vehicle which is covered by the policy, We will pay you or your drivers reasonable costs up to a maximum of \$2,500 any one event, towards replacement and/or replenishment of any First Aid Kit and/or its contents.

### SPECIFIC EXCLUSIONS – APPLICABLE TO SECTION 1

Under Section 1 – Cover for Your Vehicle We will not pay for any of the following:

#### 1. Tyres

Damage to the tyres of Your Vehicle caused by the application of brakes or by road punctures, cuts or bursts; or

#### 2. Safeguarding Your Vehicle

Theft of or further damage to Your Vehicle after Loss unless reasonable steps to protect or safeguard Your Vehicle have been taken thereafter to protect or safeguard Your Vehicle; or

#### 3. Consequential Loss

Any consequential Loss or financial expenses incurred as a result of You not being able to use Your Vehicle save for as specifically provided in the Policy; or

#### 4. Third Party Damage only

Any loss insured under Section 1 – Cover for Your Vehicle where Your Vehicle is insured only for 'Section 2 – Liability to Third Parties' as indicated in the Schedule; or

#### 5. Vehicle Deterioration

Depreciation, wear and tear, rust or corrosion, mechanical, structural, electrical or electronic breakdown or failure; or

#### 6. Vehicle Defects

Loss arising from failure of, or defect or fault in, the design or specification of Your Vehicle; or

#### 7. Ownership

Any damage to the property of a Third Party or the personal injury or death of any person caused by or arising out of the ownership, operation, possession or use of Your Vehicle or any vehicle.

## Section Two

# Liability to Third Parties

### SECTION 2 – LIABILITY TO THIRD PARTIES

Under this section We will pay for the amount:

- a) You; or
- b) any other person driving, using or in charge of Your Vehicle with Your consent; or
- c) any authorised passenger getting in, on or out of Your Vehicle; or
- d) Your employer or principal if Your Vehicle is being driven on their behalf with Your consent,

are legally liable to pay as compensation for Loss, damage and/or loss of use to Third Party property as a result of an Accident occurring within Australia or New Zealand, during the Period of Insurance and arising out of the use of Your Vehicle or caused during loading or unloading of Your Vehicle.

We will not pay more than \$35,000,000 in respect of all claims (including the cover provided by additional benefits 1. to 9.) arising from one Accident or series of Accidents resulting from a single original cause.

### ADDITIONAL BENEFITS – APPLICABLE TO SECTION 2

An additional benefit is only payable if it arises as a result of and directly in connection with a Loss where We have paid or agreed to pay a claim under Section 2 – Liability to Third Parties. The additional benefits will not serve to increase the maximum sum payable under Section 2. The additional benefits are subject to all the exclusions, terms and conditions of the Policy.

#### 1. Cover where liability falls outside any compulsory third party insurance or statutory scheme

We will not cover any liability for death or bodily injury arising out of the use or in connection with Your Vehicle or any vehicle where that liability is required by law to be covered by compulsory third party insurance or any statutory compensation scheme or accident compensation scheme. Subject to the above exclusion, under this additional benefit We will provide You with cover where the death or bodily injury arising from the use of Your Vehicle falls outside the above exclusion provided no law is infringed by providing such cover.

This additional benefit will apply only if all requirements of the cover under Section 2 are met, other than the requirement for there to be damage or loss of use to Third Party property.

#### 2. Legal Costs

We will pay for legal costs and expenses incurred with Our written consent.

#### 3. Non-Owned Vehicle

We will pay for Your legal liability for damage to property of a Third Party caused by or arising out of the use of any vehicle, not listed in the Schedule, by You or any vehicle hired by You while such vehicle is being driven by any person who is authorised by both You and the owner of the Vehicle to use the Vehicle on Your behalf and in connection with Your Business.

We will not pay for damage to that vehicle itself.

#### 4. Non-Owned Vehicles in Your Car Park

We will pay for Your legal liability for damage to vehicles belonging to Your employees or visitors contained within a car park owned or operated by You (exclusion 3 of the Specific Exclusions – Applicable to Section 2 does not apply to this additional benefit).

#### 5. Defence Cost

The reasonable costs of legal representation if You or the driver of Your Vehicle is charged with careless driving causing death in relation to a Loss during the Period of Insurance.

The maximum amount We will pay under this additional benefit is \$5,000 in respect of any one event.

#### 6. Goods Carried, Loaded and Unloaded

We will pay for damage caused to Third Party property caused by goods falling from Your Vehicle, including whilst being loaded and unloaded during the Period of Insurance.

#### 7. Trailers

We will pay for Your legal liability for damage to Third Party property caused by or arising out of the use of any trailer attached to Your Vehicle provided that the number of trailers towed by Your Vehicle at the time of the Loss does not exceed the number permitted by law.

This additional benefit only provides cover in relation to the resultant damage caused by the trailer and specifically excludes any damage to the trailer itself.

#### 8. Vehicle Under Tow

We will pay for liability for Loss or damage to a disabled vehicle whilst being towed by Your Vehicle for the purpose of recovery of the disabled vehicle, provided You are not performing this Vehicle recovery for hire, reward, or to secure salvage rights.

## Section Two

# Liability to Third Parties

### 9. Movement of Other Vehicles

We will pay for damage to Third Party property arising out of the reasonable and necessary movement of any vehicle that is parked in a position so as to prevent or impede the loading, unloading or legitimate passage of Your Vehicle.

### 10. Inadvertent and Unintentional Failure to Effect Registration

We will pay for Your legal liability caused by or arising out of the movement of any vehicle which is required to be registered or conditionally registered in accordance with the law of any State or territory in Australia or New Zealand, but is not so registered at the time of the Loss as a result of Your inadvertent and unintentional failure to effect registration or conditional registration of that vehicle. However, the maximum amount We will pay under this additional benefit is \$100,000 for all claims in the Period of Insurance.

#### SPECIFIC EXCLUSIONS – APPLICABLE TO SECTION 2

Under Section 2 – Liability to Third Parties We will not pay for any of the following:

#### 1. Tool of Trade

Any claim caused by or in connection with Your Vehicle, or any plant or equipment attached to Your Vehicle, while Your Vehicle is being operated as a Tool of Trade; or

#### 2. Pollutants

Claims caused by discharge, dispersal, release, escape of any trade waste material or Pollutant; or

#### 3. Property in Custody and Control

Damage to any property belonging to or held in or on trust or in the custody or control of You or any entity or person entitled to indemnity under Section 2 of this Policy. Provided however this exclusion 3 will not apply where the total value of the damaged property does not exceed \$100,000 and:

- a) the damaged property does not belong to You; or
- b) the damaged property is not held by You in or on trust or in Your custody or control; or
- c) the damaged property is held in or on trust or in the custody or control of any entity or person entitled to indemnity under Section 2 of this Policy other than You ;  
or

#### 4. Fines, Penalties

Any fines, penalties, or aggravated, exemplary or punitive damages; or

### 5. Death, Bodily Injury

- a) Claims or any liability in respect of death or bodily injury arising out of the use or in connection with Your Vehicle or any vehicle where that liability is required by law to be covered by compulsory third party insurance or any statutory compensation scheme or accident compensation scheme, subject only to the additional benefit 'Cover where liability falls outside any compulsory third party insurance or statutory scheme' above; or
- b) Any claim resulting from death of or bodily injury to any:
  - i) person driving and/or in charge of Your Vehicle; or
  - ii) of Your employees; or
  - iii) member of Your family; or
- c) death of or bodily injury to any person if Your Vehicle is registered in the Northern Territory of Australia or New Zealand; or

### 6. Unregistered Vehicles

Any claim if Your Vehicle is not registered for use on a public road.

# General Extensions

## Applicable to all Sections

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### GENERAL EXTENSIONS – APPLICABLE ALL SECTIONS

#### 1. Automatic Inclusion

The Policy includes cover for any vehicle purchased, hired, leased or otherwise acquired whilst in your care, custody and control from the time of acquisition, provided You notify us immediately of the following matters and We agree to continue cover on the basis of the information provided by You:

- a) of the particulars of any newly acquired vehicle with a Market Value in excess of \$300,000; and
- b) if the number or total value of all Vehicles covered including pursuant to this additional benefit exceeds 125% of the value provided to Us at the commencement of the current Period of Insurance; and
- c) in the event of You being involved in a merger or takeover; and
- d) if the number of units notified to Us at the commencement of the Period of Insurance exceeds 50, then in the Event of a claim on a Vehicle not previously notified to Us, We will accept the claim as if it was noted. Lodgment will be treated as proof of Your interest in the Vehicle subject to the claim. In this instance Optional Additional Benefit 6. Declaration of Vehicles will apply.
- e) where the number of units notified to us at the commencement of the Period of Insurance are 50 or less, then You are required to notify Us within 60 days of the date of acquisition or immediately in the event of a claim. A pro-rata premium will then be calculated and invoiced.

#### 2. Additional Interests

The Policy includes the interests of lessors, financiers, trustees, mortgagees, owners and all other parties as more specifically noted in Your Schedule. You must disclose details of the nature and extent of such interest in the event of Loss, damage or liability and when We request such information. Any such party is bound by the terms of the Policy.

#### 3. Contractual Liability

We will indemnify You for liability arising under any undertaking or indemnity given or contracted by You provided that such liability would have attached under the Policy in the absence of such undertaking or indemnity.

#### 4. Cross Liability

The words “You” and “Your” will be considered as applying to each party named in the Schedule in the same manner as if that party was the only party named therein and We waive Our rights of subrogation against each such named party provided however this extension will not increase any limits specified in the Policy.

#### 5. Sea Transportation

We will pay general average and salvage charges which are incurred whilst Your Vehicle is being transported by sea between places in Australia and/or New Zealand , provided that You obtain Our consent before You sign any general average bond and before any such charges are incurred.

#### 6. LPG Conversion

The Policy includes cover for Your Vehicle which has been modified to operate on liquefied petroleum gas (LPG) provided that such modification has been carried out in accordance with the relevant statutory standards.

# General Exclusions

## Applicable to all Sections

### GENERAL EXCLUSIONS – APPLICABLE ALL SECTIONS

You are not insured against any of the following:

#### 1. Unlawful Acts – Driver

For any Loss or liability if at the time of the Loss or the liability was incurred Your Vehicle is being driven by You or any person including You:

- a) whose faculties are impaired by any drug or intoxicating liquor; or
- b) who is convicted of driving, at the time of Loss or the Accident, under the influence of any drug or intoxicating liquid; or
- c) with a percentage of alcohol or drugs in their breath, blood or urine in excess of the percentage permitted by law; or
- d) who refuses to provide or allow the taking of a sample of breath, blood or urine for testing or analysis as required by law.

Provided however, We will not apply this exclusion to any claims against You if You can prove that You did not know or could not reasonably have known that the driver of Your Vehicle was so affected or refused to undergo an appropriate test at the time of Loss or the Accident provided this driver has not to Your knowledge been so affected on a previous occasion. We will not cover the driver of Your Vehicle.

#### 2. Unlawful Acts – Drivers Licence

For any Loss or liability if Your Vehicle is driven by You or by any person with Your consent who is not licensed to drive Your Vehicle under any relevant law, but this exclusion will not apply where a person is driving Your Vehicle with Your consent and You can prove:

- a) that You checked the driver's driving licence before You provided Your consent and the driving licence produced to You by that person has been forged or was the subject of unauthorised alteration; and
- b) the forgery or unauthorised alteration could not have been reasonably discerned from the driving licence produced to You; and
- c) the driving licence produced would, if it had been valid, have authorised that person to drive the particular category or type of Vehicle which was to be driven with Your consent; and
- d) You did not know and could not reasonably have known that that person did not have a licence to drive Your Vehicle.

However, We will not waive Our right of subrogation against that person; but where that person is:

- i) a member of Your family or in another personal relationship with You; or
- ii) Your employee and the Loss occurred whilst he or she was acting in the course of his or her employment,

We will not exercise Our subrogation rights except where there is serious or willful misconduct on the part of that person; or

#### 3. Vehicle overloading

For any Loss or liability if Your Vehicle is being used to carry a greater number of passengers or to convey or to tow a load in excess of that for which Your Vehicle was designed for or permitted by law. Provided however this exclusion will not apply if:

- a) the Loss or liability was not caused or contributed to by such greater number of passengers or load; or
- b) You were not aware, and could not reasonably have been aware that the carriage was in excess of the number of passengers or load for which it was designed or permitted by law.

#### 4. Vehicle Un-roadworthy/Unsafe

For any Loss or liability if Your Vehicle is being used in an unsafe or un-roadworthy condition and such condition caused or contributed to the Loss or legal liability. Provided however, We will not apply this exclusion where:

- a) You had not detected and could not have reasonably have detected the unsafe or un-roadworthy condition; and
- b) Your Vehicle has been regularly serviced in accordance with the manufacturer's instructions.

#### 5. Vehicle Usage

For any Loss or liability incurred whilst Your Vehicle is being used:

- a) for any illegal purpose with Your knowledge or consent; or
- b) in connection with the motor trade for experiments, test, trials, demonstration or breakdown purposes; or
- c) by a person who has rented the Vehicle for carrying passengers for hire or reward other than under a private pooling arrangement; or
- d) involved in racing, pacemaking, reliability trials, speed or hill climbing tests, or whilst being tested in preparation thereof; or
- e) for or being tested in preparation for, any race, rally, trial, speed trial, test, contest, motor sport or any driver training course conducted without Our written consent.

# General Exclusions

## Applicable to all Sections

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### 6. Lawful Seizure

For any Loss or liability resulting from lawful seizure or other operation of law; or

### 7. War, Civil Commotion

Any loss or damage occasioned by or through or in consequence directly or indirectly of any of the following occurrences, namely:

- a) war, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war;
- b) mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power; or

### 8. Act of Terrorism

Any death, injury, illness, loss, damage, liability, cost or expense of any nature directly or indirectly caused by, resulting from or in connection with:

- a) any Act of Terrorism regardless of any other contributing cause or event; or
- b) or any action taken in controlling, preventing, suppressing or in any way responding to or relating to the matters set out in paragraph 8a) above; or

### 9. Radioactivity, Nuclear Perils

Any loss, damage, liability costs or expenses directly or indirectly occasioned by, happening through or in consequence of any radioactivity or any radioactive substances or nuclear fuel, nuclear waste or nuclear material; or

### 10. Asbestos

Any liability in connection with, or directly caused by or contributed to by, or arising from asbestos or asbestos products or asbestos contained in any products.

### 11. Dangerous Goods

For any Loss or liability If Your Vehicle is being used or attached to or towing a vehicle being used for the commercial transportation of Dangerous Goods as defined in the Australian Code for the Transport of Dangerous Goods by Road & Rail. Provided however, if the transportation complies with such Code, We will provide cover under this Policy but the maximum We will pay in respect of all claims arising out of one Accident is \$1,000,000 unless otherwise noted in the Schedule or excluded in the Policy; or

### 12. Vehicles on Rail, Underground, Airports

For any Loss or liability occurring whilst Your Vehicle is:

- a) running on rails other than as cargo; or
- b) in an underground mine, mining shaft, or tunnels which are not public roads; or
- c) operating within the confines of any airport or airfield, including aprons, other than a designated public parking area

### 13. Consent

For any Loss or liability intentionally caused by You or any person acting with Your consent; or

### 14. GST

Any GST, or any fine, penalty or charge for which You are liable arising out of Your misrepresentation of, or failure to disclose, Your actual input tax credit entitlement in the settlement of any claim or premium relating to the Policy; or

### 15. Computer Software, Programs

Any loss or damage of whatsoever kind arising directly or indirectly out of:

- a) the corruption, destruction or alteration of or damage to data, coding, programme or software; or
- b) the unavailability of data or reduction in the functionality, availability or operation of hardware, software and embedded chips; or
- c) any business interruption Losses resulting therefrom.

This exclusion will not apply where such Loss or damage occurs as a direct result of physical damage which is otherwise covered by this Policy; or

### 16. Overloading, Oversize

For any Loss or liability arising directly or indirectly as a result of Your Vehicle being driven or used whilst either the dimensions of the load (including any load projection limit) or the mass limit of the Vehicle (or its axles) are exceeded. Provided however We will not apply this exclusion if:

- a) an oversize or over mass Vehicle permit has been obtained and the load is being carried in accordance with such a permit; or
- b) You are not aware and could not reasonably have been aware that Your Vehicle was being driven or used whilst either the dimensions of the load or the mass limit of the Vehicle was exceeded.

### 17. Infectious Disease

Losses arising as a result of infectious disease, where an infectious disease is defined as Highly Pathogenic Avian Influenza or any diseases declared to be quarantinable diseases under the Australian Quarantine Act 1908 and subsequent amendments.

# General Conditions

## Applicable to all Sections

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### 1. CLAIMS PROCEDURES

- a) In the event of a Loss or Accident which may become the subject of a claim under the Policy You must immediately forward to Us:
- i) full details in writing of the Loss or Accident; and
  - ii) any communication or court documents received.
- b) You may choose a repairer from Our Partnered Repair Network or Your own licensed repairer, but before any repairs are authorised You must:
- i) obtain Our written agreement for such repairs; and
  - ii) make Your Vehicle available for Our inspection.

We reserve the right to invite, accept, adjust or decline estimates or to arrange (at Our expense) for the removal of Your Vehicle to other repairers for quotation purposes.

You will only be entitled to the Repair Guarantee described below if You choose to use a Partnered Repairer from Our Partnered Repair Network.

We reserve the right to:

- i) determine the method of repairs; and
- ii) to make enquiries to ensure that the repairs are carried out satisfactorily and that the parts used for repairs are new or are consistent with the age and condition of Your car; and
- iii) if required, seek an alternative competitive repair estimate.

We will guarantee the workmanship and materials on all repairs authorised by Us and completed by a member of Our Partnered Repair Network.

We will arrange for any unsatisfactory repairs to be inspected and if necessary, rectification to be carried out.

We will not pay for the rectification of any repairs which are not authorised by Us.

Where Your Vehicle has been repaired by a repairer of Your choice, Our guarantee of workmanship and materials on repairs authorised by Us will be as required by any law or statute and in accordance with the Motor Vehicle Insurance and Repair Industry Code of Conduct.

- c) In respect of each claim or potential claim, You must:
- i) not make any admission of guilt or offer of payment without Our written consent; and
  - ii) allow Us to have the sole conduct of all negotiations and proceedings; and

- iii) give Us all reasonable assistance and co-operation in all aspects including recovery from the responsible person; and
- iv) notify Us of any other insurance that also provided cover, whether in whole or in part; and
- v) notify the Police as soon as possible in respect of theft of or malicious damage to Your Vehicle; and
- vi) permit Us to initiate legal proceedings in Your name against any person and sign any documents necessary for that purpose.

- d) In the event that We declare Your Vehicle to be a Total Loss, to assist Us in the settlement of Your claim, You must provide the following documents:

- i) a completed claim form; and
- ii) Your Vehicle registration papers; and
- iii) any lease, hire-purchase agreement or any other finance agreement.

- e) Mobile apps available from Lumley Insurance aim to make life easier for our customers, with the introduction of two mobile apps, the Lumley Accident Help app and the Partnered Repair Network app. The apps, are now available for free download on the app store.



- i) Lumley Accident Help app allows users to easily capture the important information required following an accident, such as the exact location, other driver details and also upload photos from the accident scene.
- ii) The Partnered Repair Network (PRN) app aims to provide brokers and their clients with an easy way to find one of the hundreds of smash repairers that make up Lumley Insurance's Partnered Repair Network (PRN) in the event of an accident.

For more information visit [www.lumley.com.au](http://www.lumley.com.au). or call 1300 Lumley

# General Conditions

## Applicable to all Sections

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### 2. EXCESS

- a) You will have to contribute the Excess shown on the Schedule for each and every claim under the Policy.
- b) Additional Excesses may apply in certain circumstances. These are:
  - i) if the Vehicle has a GVM of 4.5 tonnes or greater and Your driver is less than 25 years of age at the time of the Loss, then an additional Excess of \$3,000 applies; and
  - ii) if the Vehicle has a GVM of less than 4.5 tonnes and Your driver is less than 21 years of age at the time of the Loss, then an additional Excess of \$1,000 applies; and
  - iii) if the Vehicle has a GVM of less than 4.5 tonnes and if Your driver is aged 21 years of age and less than 25 years of age at the time of the Loss, then an additional Excess of \$500 applies.
- c) You will not have to pay an Excess if your Excess is less than \$5,000, and the GVM of Your Vehicle is less than 4.5 tonnes, and in Our opinion:
  - i) the Loss or Accident was not Your fault or the fault of the driver or passenger or contributed to by the driver or passenger of Your Vehicle; and
  - ii) You can provide Us with the name and current address of the person responsible for the Loss or Accident, together with the Vehicle registration numbers of the Vehicles involved in the Loss or Accident.

### 3. INTERPRETATION

- a) Any word or expression which is given a specific meaning in the Policy will have that meaning wherever it may appear in the Policy provided that it commences with a capital letter; and
- b) Words in the singular include reference to the plural and vice versa; and
- c) Headings have been included for ease of reference and the terms and conditions of the Policy are not to be construed or interpreted by reference to such headings.

### 4. ENTITLEMENT

Any person or entity entitled to cover under the Policy is bound by the terms of the Policy.

### 5. TRANSFER OF INTEREST

No interest in the Policy can be transferred without Our written consent.

### 6. DUTY OF CARE TO MITIGATE LOSS

- a) You must exercise reasonable care and precautions to mitigate any Loss and ensure safety of any Vehicle insured under this Policy; and
- b) You must also maintain Your Vehicles in a safe working and roadworthy condition, conduct safe work practices, employ competent and suitably qualified staff; and
- c) You must also discharge Your legal obligations imposed by the relevant authorities and government bodies.

### 7. OTHER INSURANCE

You must notify Us in writing if You have already effected, or if You intend in the future to effect, any other insurance that covers Your Vehicle in whole or in part. You must provide Us with the full name and address of Your other insurer or intended insurer, together with the policy number of the insurance contract if known.

### 8. SALVAGE

If Your Vehicle is declared by Us to be a Total Loss and We pay You under Section 1, Your Vehicle will become Our property as salvage. If We agree that You can retain Your Vehicle as salvage, We will deduct the value of the salvage of Your Vehicle from any amount paid in relation to Your claim.

# Optional Additional Benefits

Only those optional additional benefits shown on the Schedule will apply.

## 1. BURNING COST

Where this optional additional benefit is shown on the Policy Schedule, the 'Burning Cost' premium will apply which comprises 4 elements:

- the minimum premium payable;
- the deposit premium payable;
- the maximum premium payable; and
- a Claims Incurred adjustment factor.

Where this optional additional benefit is shown on the Policy Schedule, it is agreed that You will pay a deposit premium at the commencement of the Period of Insurance. The premium will subsequently be adjusted 90 days after expiry of the Period of Insurance based on the Claims Incurred during the Period of Insurance, multiplied by the 'Adjustment factor' shown on the Policy Schedule. The ultimate premium payable for the Policy will be based on the above calculation deducting the deposit premium already paid by You and provided that the ultimate premium payable will be at least the amount of the 'Minimum premium' shown on Your Policy Schedule and will not be more than the 'Maximum premium' shown in Your Policy Schedule.

This optional additional benefit is subject to the following conditions:

### a) Losses following adjustment

Where Losses are reported to Us following the calculation of the ultimate premium payable as set out above, You will be required to pay any additional premium based on the Claims Incurred including those additional Losses multiplied by the 'Adjustment factor' shown on the Policy Schedule provided that:

- the ultimate premium payable and any additional premium will be at least the amount of the 'Minimum Premium' shown on Your Policy Schedule and will not be more than the 'Maximum premium' shown on Your Policy Schedule.

### b) Change in fleet size

The 'Minimum premium' and 'Maximum premium' shown on Your Policy Schedule will be adjusted in line with any change in fleet size taking into account the number of Vehicles and any significant change in the fleet make up; and

### c) Premium call up

We retain the right to require You to pay the difference between the deposit premium and the 'Maximum premium' shown on Your Policy Schedule at any time during the Period of Insurance if Claims Incurred for the relevant period exceed 80% of the amount of the deposit premium.

## 2. CLAIMS EXPERIENCE DISCOUNT (CED)

Where this optional additional benefit is shown on the Policy Schedule it is agreed that, subject to You renewing this Policy for an additional 12 months, We will calculate whether a refund of premium is due to You. We will make this calculation 90 days after expiry of the Period of Insurance based on the Claims Incurred at this date.

The 'Claims Experience Discount' is calculated in accordance with the factors set out in the Policy Schedule.

The 'Claims Experience Discount' (CED) calculation formula is:

Gross Premium x Percentage of Gross Premium, less Claims Incurred, x Percentage of Surplus, subject to a Maximum Refund Percentage.

### Example:

Gross Premium	=	\$120,000
Percentage of Gross Premium	=	65%
Percentage of Surplus	=	50%
Maximum Refund Percentage	=	15%
Claims Incurred	=	\$50,000

### Example calculation:

- $\$120,000 \times 65\%$  = \$78,000
- $\$78,000 - \$50,000 = \$28,000 \times 50\%$  = \$14,000
- Subject to maximum of  $\$120,000 \times 15\%$  = \$18,000

The CED refund is therefore \$14,000 as it has not exceeded the Maximum Refund Percentage calculation of \$18,000.

This optional additional benefit is subject to the following condition:

### a) Losses following adjustment

Where Losses are reported to Us following the calculation of the refund of premium as set out above, You will be required to repay any refunded premium based on a recalculation of the refund of premium with the Claims Incurred component of the formula including those additional Losses.

## Optional Additional Benefits

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### 3. AGGREGATE LOSS LIMIT

Where this optional additional benefit is shown on the Policy Schedule, the Policy is deemed to be written as an Aggregate Loss Limit Policy.

It is agreed that You will pay all Losses net of any Excess applicable during the Period of Insurance up to the amount of the Aggregate Loss Limit shown in the Policy Schedule. We will pay any Losses above the amount of the Aggregate Loss Limit shown in the Policy Schedule net of any Excess applicable.

Where an Event Loss Limit is shown in the Policy Schedule, only Losses below the amount of the Event Loss Limit and net of any Excess will contribute to the deterioration of the Aggregate Loss Limit.

This optional additional benefit is subject to the following:

- a) the Aggregate Loss Limit will be adjusted at the expiry of the Period of Insurance if the total number or total value of Your Vehicles at the expiry of the Period of Insurance are higher or lower than the number or value declared at the commencement of the Period of Insurance; and
- b) You must advise all Losses to Us; and
- c) We will manage all Losses on Your behalf; and
- d) You will pay the agreed Maintenance Float at commencement of the Period of Insurance; and
- e) You will pay Us the amount charged on the Monthly Invoice within 14 days of You receiving same.

### 4. CLAIMS HANDLING OF UNINSURED LOSSES

Where We handle claims for Losses not insured under this Policy on your behalf, whether those claims are under the amount of the Excess or within an Aggregate Loss Limit Policy, You are required to:

- a) provide an agreed Maintenance Float as shown in the policy Schedule at the commencement of the Period of Insurance; and
- b) agree to pay the amount of the Monthly Invoice within 14 days of You receiving same unless agreed otherwise and shown in the Policy Schedule.

### 5. CLAIMS HANDLING FEE

Where we have agreed with you that a claims handling fee will be paid to Us in relation to Our handling of claims for Losses not insured under this Policy on Your behalf and a claims handling fee is shown on the Policy Schedule, You are required to make payment to Us of the claims handling fee as set out in the Policy Schedule.

### 6. DECLARATION OF VEHICLES

Where We have agreed to annual adjustment of Vehicle numbers You must declare to Us at the end of the Period of Insurance the total number of Vehicles at risk at such expiry date. Upon receipt of this declaration We will make a premium adjustment of 50% of the annual premium or rate per vehicle, applied to the difference in the number of Vehicles at the inception of this Period of Insurance and the number at the end of this Period of Insurance.

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