



**SHARE THE PASSION**

# **SHANNONS MOTOR INSURANCE**

**PRODUCT DISCLOSURE STATEMENT**

**INSURANCE FOR MOTORING ENTHUSIASTS**



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PDS Preparation date 21 March 2011.

# IMPORTANT INFORMATION ABOUT SHANNONS

## WELCOME TO SHANNONS

Shannons Limited ABN 91 099 692 636, authorised representative number 239594 (Shannons) has specialised in insurance for motoring enthusiasts for over 30 years. We enjoy a unique relationship with motoring enthusiasts and our dedicated team is in place to offer you a knowledgeable and personalised service.

This Important Information About Shannons section explains who Shannons is, the financial services Shannons offer, how Shannons and its associates are remunerated and what relationships Shannons has with others, to help you decide if you would like to use the services Shannons offer.

Shannons will provide you with a Product Disclosure Statement (PDS) when required, for example when you buy an insurance policy from us or if we recommend you buy a particular policy. A PDS provides important information on the features, benefits and risks of the policy to assist you in making an informed decision about whether to buy the product or not.

## CONTACTING SHANNONS

If you want to make any changes to your policy, ask any questions or let us know about anything that might affect your policy, you can call us on 13 46 46 or write to us at one of the addresses shown on the back of this booklet. In addition, you can see your policy details and manage some aspects of your policies online with our 'My Insurance' web service at **[shannons.com.au](http://shannons.com.au)**.

## WHO DOES SHANNONS ACT FOR?

Shannons is an agent (acting under a binder) and authorised representative of Australian Alliance Insurance Company Limited (AAI) (ABN 11 006 471 709). AAI holds Australian Financial Services Licence no. 235011 and is the insurer of the policies arranged by Shannons. AAI is an APRA regulated insurer and can be contacted by writing to:

Australian Alliance Insurance Company Limited  
321 Warrigal Rd Cheltenham Victoria, 3192  
or emailing [enquiries@shannons.com.au](mailto:enquiries@shannons.com.au)

Both Shannons and AAI are members of the Suncorp Group.

## WHAT SERVICES DOES SHANNONS OFFER?

Shannons is authorised by, and acts on behalf of, AAI to offer you the following financial services for Shannons general insurance policies:

- Issue insurance under binder
- Arrange, vary and cancel insurance
- Handle and settle claims
- Provide general and personal financial product advice

## HOW IS SHANNONS PAID FOR PROVIDING THE FINANCIAL SERVICES?

Shannons does not receive any commission from AAI for the insurance policies it arranges. AAI receives the premium from each Shannons insurance policy it issues. AAI and other Suncorp Group companies provide Shannons with the resources it needs to provide the authorised financial services. These services are provided on behalf of Shannons by staff employed by Suncorp Group companies. In addition to their salary, staff may receive bonuses if they achieve their performance targets. You will not be charged an additional fee as a result of this.

## DOES ANYONE ELSE HELP SHANNONS SELL INSURANCE POLICIES?

Yes. AAI has appointed Regional Development Officers (RDOs) as distributors, to help Shannons sell insurance products. RDOs attend regional motoring or community events. They provide information about Shannons' insurance products and assistance with obtaining insurance quotations from Shannons. A RDO is paid \$20 (plus GST if applicable) by AAI for each insurance quotation provided to a client who has had contact with or has been allocated to the RDO. A RDO is also paid up to \$5 (plus GST if applicable) by AAI for each insurance quotation that Shannons provides to a client who lives in the RDO's allocated market region.

Shannons provides a dispute resolution process. For full details, see page 51 of the PDS.

**This Important Information About Shannons Statement was completed on 21 March 2011.**

# PRODUCT DISCLOSURE STATEMENT (PDS)

## HOW TO USE THIS PDS

This is an important legal document that you should read carefully. We have designed this PDS so that it is easy for you to see what is covered, and what is not covered under your Shannons insurance policy.

The cover that you have under your Shannons insurance policy will depend on the type of cover and type of use that you select for your vehicle.

The types of cover that you can choose are set out on page 10 of this PDS. You are only covered for incidents that are included in the type of cover you have selected.

The types of use that you can choose are set out on page 11 of this PDS. This is called 'vehicle usage'.

It is important that you choose the most appropriate type of cover and vehicle usage for your vehicle. The type of cover and vehicle usage that you have will be shown on your policy certificate. You are only covered for incidents that occur when your vehicle is being used for the use shown on your certificate.

In most areas of the PDS, we have put “**WHAT IS COVERED**” on the left hand page of the booklet, and “**WHAT IS NOT COVERED**” on the right hand page of the booklet.

There are also policy exclusions, limitations and conditions that apply to all covers. In the circumstances where these apply, your policy will not provide you with cover.

To fully understand your cover, including the exclusions, limitations and conditions that may apply, it is important that you read this PDS and your policy certificate carefully. Please keep them in a safe place. You may need to refer to them from time to time.

Any advice provided by this PDS is general only and does not take into account your particular objectives, financial situation or needs. Because of this you should, before acting on any advice, decide if it is right for you and consider the information contained in this PDS carefully.

If there is any part of this PDS you do not understand, please call us on 13 46 46 and one of our staff will assist you with your query.

The information in this PDS was current at the date of preparation. We may update some of the information in the PDS that is not up to date from time to time without needing to notify you. You can obtain a copy of any updated information

by contacting us on 13 46 46. We will give you a free paper copy of any updates if you request them.

## ABOUT THE INSURER

Australian Alliance Insurance Company Limited ABN 11 006 471 709, Australian Financial Services Licence No. 235011 (AAI), is the insurer of this insurance and is the issuer of this PDS.

## COOLING OFF PERIOD

You may cancel your insurance contract up to 21 days after the day cover began (including on renewal), if you have not made a claim under the contract, by calling us or writing to us at the address listed on the back page and telling us that you want to cancel it.

If you cancel your insurance contract within 21 days after the day cover began (including on renewal), we will return to you all of the premium you have paid us. (To cancel at other times, please see "Cancellation by you" on page 47).

## WHAT YOU MUST TELL US

When answering our questions, you must be honest and you have a duty under law to tell us anything known to you, and which a reasonable person in the circumstances would include in answer to the question. This includes your driving record, insurance history, and criminal history. See page 46 for further details. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms. You do not need to tell us anything which reduces the chances of making a claim, or which we should know about because of the business we are in or, we tell you we do not want to know. If you are unsure it is better to tell us.

## WHO NEEDS TO TELL US

It is important that you understand you are answering our questions in this way for yourself and anyone else whom 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 the policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the policy as never having existed.

## KEEPING YOUR DETAILS UP TO DATE

You need to tell us immediately if:

- Any details on your certificate are incorrect or have changed.
- How often you use your vehicle, or the way you use your vehicle changes.
- Anyone who is expected to drive your vehicle has over the past 5 years had changes to their driving/insurance record, and/or is convicted of a criminal offence relating to fraud, theft, arson, malicious or wilful damage.
- You change your address or the place where you keep your vehicle.
- Any modifications and/or accessories are fitted to your vehicle that you have not told us about.

## MORE THAN ONE NAMED INSURED

If more than one person is insured under this policy, a failure or wrongful action by one of those persons may adversely affect the rights of the other person(s) insured under this policy. Each person is a joint policyholder and is able to make changes to the policy that we agree to.

## RESTRICTED DRIVER CONDITION

We may restrict cover under your policy to certain drivers of your motor vehicle or motorcycle. This is called a restricted driver condition. If any restricted driver condition applies it will be stated on your certificate.

If a restricted driver condition applies, despite what other sections of this PDS say, your policy provides cover when your motor vehicle or motorcycle is being driven by only:

- a driver listed on your certificate;
- any member of the motor trade who has control or custody of the vehicle for maintenance or repair;
- any employee or agent of a restaurant, hotel, car park or similar business that has control or custody of the vehicle for parking purposes;
- a learner driver under instruction from a driver listed on your motor insurance certificate. (See learner drivers on page 30).



The premium is the amount you pay us for this insurance. Your premium may include stamp duty, GST and applicable government charges. We calculate your premium after taking a variety of factors into account. Some factors are set, such as our costs of distribution. Other factors can affect the amount of your premium. The higher your risk profile, the higher your premium. Using our experience, we decide what factors will increase your risk profile and how they impact on the premium.

### NO CLAIM DISCOUNT

If you select comprehensive insurance, the amount of premium you pay may be reduced by a no claim discount. This discount on your premium increases each year provided there is no claim made that affects your no claim discount, until you reach the maximum no claim discount of 65%.

### PAYING YOUR PREMIUM

We will tell you how much you have to pay and how much time you have for payment on your certificate of insurance. You must pay the premium by the due date to be covered by this policy.

Unless we tell you, any payment reminder we send you does not change the due date.

You can pay your premium in one annual payment or by direct debit through monthly, quarterly, half yearly or yearly instalments.

### IMPORTANT INFORMATION FOR CUSTOMERS PAYING BY INSTALMENTS

When paying by instalments you must:

- Be an authorised signatory on the account nominated for your direct debit payments.
- Ensure that your nominated account can accept direct debits and has sufficient funds to meet each payment at each due date. If your debit date falls on a non-business day, for example, a weekend or public holiday, we will debit your account on the next business day.
- Advise us 7 days prior to your instalment debit date if you wish to change your direct debit details.

If an instalment is rejected:

- We will contact you usually within 7 days and advise of the failed debit attempt. We will also make a further attempt to debit your account.

- If the instalment remains unpaid after 14 days, we will not pay claims for any incidents that occur until the policy is paid up to date (provided the policy has not been cancelled by us or you).
- If an instalment remains unpaid after 30 days, we have the right to cancel the policy.

If we do provide you with notice of our intention to debit your account after a failed debit attempt, this does not reduce our right to refuse claims or cancel your policy in accordance with the rights set out above.

However, you may request to suspend or defer your instalment debit for up to a maximum of 14 days, if you advise us 7 days before the instalment debit date. If you do this, and we agree to suspend or defer the payment, our right to refuse to pay claims or cancel your policy, as set out above, will be suspended during the time that your instalment payment is suspended or deferred.

We may refuse to allow you to pay, or continue to pay, your premium by direct debit should you have two or more requests to defer your instalments or consecutive failed debit attempts due to insufficient funds.

## RENEWING YOUR POLICY ON INSTALMENTS

We will send you a renewal notice before the policy expiry date. Unless you cancel your direct debit arrangements with us, we will continue to direct debit instalments based on your new premium and period of insurance.

## EXCESS

An excess is an amount that is payable by you when you make a claim under your policy. Your certificate will show you the actual amount(s) that apply to your policy. See page 43 for more details.

## MORE DETAILS

For further details about our premiums, discounts and excesses please refer to our Premiums, Excesses, Discounts and Claims Payments Guide available at [shannons.com.au/insurance/financial](http://shannons.com.au/insurance/financial).

A copy of this guide will be provided to you on request at no charge, if you contact us on 13 46 46.

## ABOUT YOUR VEHICLE

To be covered under a Shannons insurance policy a vehicle must be either a motor vehicle (which includes a car, truck or tractor), motorcycle, collectable caravan or trailer. When we use the term 'vehicle' in this PDS it includes a reference to any motor vehicle, motorcycle, collectable caravan or trailer referred to in your certificate, unless we say otherwise.

A collectable caravan must be 35 years of age or more and used for recreational purposes. This policy does not provide any cover in connection with your collectable caravan being used as a place of residence.

## ACCESSORIES

Your vehicle includes standard accessories installed or fitted by the manufacturer or dealer, being installed items or equipment that increase the value of your vehicle, but do not alter its safety, performance or handling. Accessories include but are not limited to sound systems, instruments, and interior improvements. We do not insure any accessory that is not legal.

For collectable caravans, cover for standard accessories is limited to \$500 in total, unless we have agreed to a higher amount and this is shown on your certificate.

## MODIFICATIONS

You can ask us to insure modifications and after market accessories. Modifications are alterations or additions to your vehicle that alter its safety, performance, handling or appearance. Modifications include but are not limited to body, exhaust, transmission and suspension. If we agree to cover them, the modifications will be shown on your certificate. We do not insure any accessory or modification that is not legal.

## TYPES OF COVER

If you have a motor vehicle or motorcycle, there are two types of cover you can choose from:

- Comprehensive. Comprehensive cover includes third party legal liability cover.
- Third party legal liability only.

If you have a collectable caravan or trailer, we offer comprehensive cover only.

The type of cover you have chosen will be shown on your certificate.

## OPTIONAL COVERS

If you choose comprehensive cover you may be able to choose the optional covers of:

- racing cover
- salvage rights

See page 34 for more details.

When you take out your policy your vehicle will be insured for Private Use, however we may agree to insure your vehicle for Business Use or Wedding Hire Use. We will set the premium for your policy taking into account the vehicle use that you are covered for.

In addition to the general vehicle use, you may be able to choose a limited vehicle usage for your vehicle if you have comprehensive cover. If you ask us for a limited vehicle usage, and we agree to insure you for this limited use, we will set the premium taking into account the limited scope of use that you will have for your vehicle. Limited vehicle usages are not available for vehicles covered for Third Party Legal Liability cover only.

The general and limited vehicle usages that apply to your policy will be shown on your policy certificate.

The following types of general vehicle usage are available:

**Private Use** is when your vehicle is used for private purposes. This includes commuting to and from your place of work.

**Business Use** is when your vehicle:

- is or should be registered as a business vehicle, or
- is used for income earning purposes.

**Wedding Hire Use** means your vehicle is used for Private Use and the limited business use of carrying passengers for hire or reward in connection with weddings or school formals.

If you use your vehicle for Private Use, you should choose Private Use vehicle usage for your cover.

If you use your vehicle for weddings or school formals, but for no other income earning purposes, you should ask us to add Wedding Hire Use to your cover.

However, if you use your vehicle for any Business Use that is more extensive than Wedding Hire Use, you should ask us to cover you for Business Use. You will be covered for Private Use and Wedding Hire Use under your Business Use vehicle usage cover.

## LIMITED VEHICLE USAGES

For comprehensive cover, we insure all vehicles as your regular mode of transport; unless you ask us and we agree to insure your vehicle for one of the following limited vehicle usages:

**Limited use** is when you use your vehicle on average no more than once or twice a week.

**Extreme limited use** is when you use your vehicle on average no more than twice a month.

**Club plate use** is when your vehicle is driven only in accordance with your state or territory's rules and regulations for club or logbook registration.

**X We do not provide any cover at all under this policy if your vehicle is insured for club plate use and is being driven contrary to your state or territory's rules and regulations for club or logbook registration.**

**Laid up** is when your vehicle is not in use and is:

- located within a private residence;
- located at a Shannons auction event;
- located at a garage or workshop for repair or other work; or
- being loaded or unloaded for transport or being transported to any of the above locations or motoring events.

✓ We will cover parts removed from the vehicle when they are kept in any of the above locations.

**X We do not provide any cover at all under this policy if your vehicle is insured for laid up and is being driven under its own power.**

## IMPORTANCE OF VEHICLE USAGE

If you do not use your vehicle in accordance with the vehicle usages shown on your policy certificate you may not be covered in the event of a claim.

## COMPREHENSIVE COVER

If you have chosen comprehensive cover, it will be shown on your certificate. Comprehensive cover includes cover for third party legal liability (see pages 16 & 17).

### WHAT IS COVERED

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- ✓ We will cover you for loss or damage to your vehicle if it is stolen or suffers accidental loss or damage anywhere in Australia during the period of insurance, and we will choose to do one of the following:
- repair your vehicle,
  - pay you the cost of repair, or
  - when your vehicle is a total loss, pay you the agreed value or replace your vehicle in some circumstances (see new vehicle replacement on page 24).

For more details on how we settle claims see page 44.

There are some circumstances which are not covered by your policy. Please refer to the exclusions listed on page 15, and the general exclusions listed on pages 36-38 for more details.

### MORE DETAILS

For more details about how we pay claims under comprehensive cover, refer to our Premiums, Excesses, Discounts and Claims Payments Guide available at [shannons.com.au/insurance/financial](http://shannons.com.au/insurance/financial). A copy of this guide will be provided to you on request at no charge, if you contact us on 13 46 46.



## WHAT IS NOT COVERED

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- ✗ We will not pay more than the agreed value less any applicable excesses.
- ✗ The general exclusions on pages 36-38.

## THIRD PARTY LEGAL LIABILITY COVER

If you have third party legal liability cover only, it will be shown on your certificate. (If you have comprehensive cover, you have cover for third party legal liability included).

### WHAT IS COVERED

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- ✓ We will cover you or anyone who has your permission to use your vehicle for legal liability for:
  - death or bodily injury to other people, or
  - loss or damage to someone else's property,during the period of insurance resulting from an accident caused by the use of your vehicle in Australia.

Legal liability extends to cover liability in respect of:

  - goods falling accidentally from your vehicle,
  - goods falling accidentally from a trailer or caravan attached to your motor vehicle or motorcycle,
  - the process of loading or unloading your vehicle or trailer or caravan attached to your vehicle,
  - your motor vehicle or motorcycle whilst it is towing a trailer, caravan or mechanically disabled motor vehicle.
- ✓ We will also pay any legal costs to defend any claim made against you if they are incurred with our written consent.

There are some circumstances which are not covered by your policy. Please refer to the exclusions listed on page 17, and the general exclusions listed on pages 36-38 for more details.

### MORE DETAILS

For more details about how we pay claims under third party legal liability cover, refer to our Premiums, Excesses, Discounts and Claims Payments Guide available at [shannons.com.au/insurance/financial](http://shannons.com.au/insurance/financial). A copy of this guide will be provided to you on request at no charge, if you contact us on 13 46 46.

## WHAT IS NOT COVERED

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- ✗ Any amount in excess of \$20 million (including associated legal costs we have agreed in writing to pay) under this policy or any other policy issued to you by us for all claims arising from any one accident.
- ✗ Accidents that were intended or were expected to happen.
- ✗ Loss or damage to a substitute vehicle.
- ✗ Liability arising out of the use of a substitute vehicle if the claim is covered by another insurer or insurance policy.
- ✗ Liability for death or bodily injury to you or any person who normally lives with you.
- ✗ Liability for loss or damage to your own property, property which is in your possession, custody or control, or the property of a person who normally lives with you.
- ✗ Any penalties or fines.
- ✗ Any punitive, aggravated or exemplary damages.
- ✗ Liability for death or bodily injury to the extent that you are entitled to be covered under any statutory compulsory insurance or motor accident compensation scheme, or would have been if you had complied with the laws relating to vehicle registration and compulsory third party insurance.
- ✗ We do not provide any cover if your vehicle was not in the custody, control or possession of you, or a person with your permission to use your vehicle.
- ✗ The general exclusions on pages 36-38.

## ADDITIONAL BENEFITS

The following additional benefits will apply to your policy if you have the type of cover and the type of vehicle that the benefit is shown to apply to. All of the limitations, exclusions and conditions of this policy apply to the additional benefits, unless the benefit says otherwise.

### WHAT IS COVERED

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#### CHOICE OF REPAIRER

Comes with: **Comprehensive**

Applies to: **All Vehicles**

- ✓ Following loss or damage covered by this policy, if we decide to repair your vehicle or replace any part of it, the choice of repairer is yours.

We will pay the amount we assess to be reasonable by considering your repairer's quote with any adjustments made by our assessor. We reserve the right to determine the method of repair that your repairer uses. We may decide to replace damaged parts with new parts or used parts of a similar condition to those being replaced.

If you do not have a preferred repairer of your own, we can arrange to tow your damaged vehicle as well as handle the entire quote and repair process on your behalf. Please contact us on 13 46 46 and we will make the necessary arrangements.

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#### LIFETIME GUARANTEE ON REPAIRS

Comes with: **Comprehensive**

Applies to: **All Vehicles**

- ✓ The quality of the workmanship and the materials authorised by us in the repair of your vehicle will be guaranteed for the life of your vehicle.

If you are concerned about the quality of the repair to your vehicle, you must contact us and make your vehicle available to us for inspection. If we agree we will then authorise any necessary rectification works. You must not authorise rectification work without our written authority.

This benefit also applies if you have selected third party legal liability insurance and we repair your vehicle under the uninsured third party benefit (see page 32).

## WHAT IS NOT COVERED

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- ✗ We may not pay for repairs to your vehicle (other than emergency repairs up to \$500 in total) not authorised by us.

- 
- ✗ We will not pay for any rectification work that we have not authorised.

## WHAT IS COVERED

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### ONE EXCESS FREE WINDSCREEN OR WINDOW GLASS CLAIM

Comes with: **Comprehensive**

Applies to: **All Vehicles**

- ✓ We will pay for one windscreen or window glass breakage claim per vehicle during the period of insurance, without applying an excess, or your no claim discount being affected, if glass breakage is the only damage sustained to your vehicle.

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### PROTECTED NO CLAIM DISCOUNT

Comes with: **Comprehensive**

Applies to: **All Vehicles**

- ✓ A protected no claim discount means that while you remain comprehensively insured with us, your no claim discount will not be reduced, even if you are at fault in an accident. We protect your no claim discount at no extra cost after you have been on a maximum no claim discount of 65% with us for 3 consecutive years and have not made any claims that affect your no claim discount. If the no claim discount on your vehicle is protected, it will be shown on your certificate.

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### EMERGENCY EXPENSES FOLLOWING BREAKDOWN AT A MOTOR ENTHUSIAST CLUB RALLY

Comes with: **Comprehensive**

Applies to: **Motor Vehicles & Motorcycles**

- ✓ If you are participating in an organised motor enthusiast club rally and your motor vehicle or motorcycle cannot be driven as a result of a breakdown whilst travelling to, from or whilst participating in the rally, and you are more than 100 kilometres from your address, we will pay up to \$500, in total, for essential accommodation and travelling expenses for you and passengers travelling with you, without your no claim discount being affected.

## WHAT IS NOT COVERED

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- ✗ We will not pay for:
- chips or fractures that do not affect the integrity of the glass;
  - replacement of rubber or sealant due to wear and tear or deterioration;
  - broken glass in sunroofs.
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- ✗ This benefit does not apply to vehicles with Laid Up use cover.

## WHAT IS COVERED

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### TOWING AND STORAGE COSTS

Comes with: **Comprehensive**

Applies to: **All Vehicles**

- ✓ If your vehicle cannot be driven following loss or damage covered by this policy, we will pay the reasonable costs of towing your vehicle to, and storage of your vehicle at, the nearest repairer or place of safety.

Should the costs of towing and storage plus the necessary repairs exceed the agreed value of your vehicle shown on your certificate, we reserve the right to treat your vehicle as a total loss.

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### DEFENSIVE DRIVING COURSES

Comes with: **Comprehensive & Third Party Legal Liability**

Applies to: **Motor Vehicles & Motorcycles**

- ✓ If you have comprehensive cover, we will cover damage to your motor vehicle or motorcycle as a result of an accident during the period of insurance that happens when you are participating in a defensive driving course.
- ✓ If you have comprehensive or third party legal liability cover, you will be covered for third party legal liability under this policy as a result of an accident during the period of insurance that happens when you are using your motor vehicle or motorcycle in a defensive driving course.

**Defensive driving course** means a paid professional driver education and training course:

- solely teaching defensive driving skills;
- that is conducted under full time, direct professional instruction and supervision;
- that is advertised as solely teaching defensive driving skills; and
- that is offered for sale to members of the public on a continuing basis.

A defensive driving course does not include a track day or racing school.



## WHAT IS NOT COVERED

- ✗ We will not pay more than 72 hours storage costs.
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- ✗ You are not covered if your motor vehicle or motorcycle is being driven/ridden:
    - on a race track or testing ground or a closed road, or
    - whilst you are participating in a course conducted, advertised, promoted or designed to improve high speed driving skills or to improve or prepare for any form of motor sport.
  - ✗ You are not covered if your motor vehicle or motorcycle is being used for any motor sport.
  - ✗ This benefit does not apply to vehicles with Laid Up use cover.

## WHAT IS COVERED

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### NEW VEHICLE REPLACEMENT

Comes with: **Comprehensive**

Applies to: **Motor Vehicles & Motorcycles**

- ✓ Following loss or damage to your motor vehicle or motorcycle covered by this policy, if we agree that your motor vehicle or motorcycle is a total loss, and
  - your motor vehicle or motorcycle is less than one year old from the date of original registration,
  - you purchased it new,
  - you are the first registered owner, and
  - any finance company with an interest in your motor vehicle or motorcycle gives its consent,

we will replace your motor vehicle or motorcycle with a new vehicle of the same make, model and series (subject to availability within Australia) including similar accessories, tools and spare parts as shown on your certificate.

We will also pay applicable stamp duties and delivery charges.

If your motor vehicle or motorcycle make and model is not available in Australia, we will pay you the agreed value shown on your certificate.

If you pay your premium in instalments, you must pay the outstanding balance of your premium before we will arrange your replacement vehicle.

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### SALVAGE PURCHASE

Comes with: **Comprehensive**

Applies to: **All Vehicles**

- ✓ Following loss or damage covered by this policy, if your vehicle is declared a total loss by us, we give you the option to purchase your unrepaid vehicle.

If you choose to purchase your unrepaid vehicle, we will determine the salvage value of the unrepaid vehicle, and deduct this amount from your settlement amount, or you must pay the salvage value to us before we release the unrepaid vehicle to you.

If you do not purchase your unrepaid vehicle, it belongs to us unless you have salvage rights (see page 34).

## WHAT IS NOT COVERED

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- ✗ Salvage purchase will not apply if your vehicle is stolen and we settle your claim as a total loss.

## WHAT IS COVERED

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### EMERGENCY EXPENSES

Comes with: **Comprehensive**

Applies to: **All Vehicles**

- ✓ If your vehicle cannot be driven following loss or damage covered by this policy and you are more than 100 kilometres from your address, we will pay up to \$500, in total, for essential accommodation and travelling expenses for you and your passengers travelling with you at the time of loss or damage.

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### HIRE CAR FOLLOWING THEFT

Comes with: **Comprehensive**

Applies to: **Motor Vehicles & Motorcycles**

- ✓ If your motor vehicle or motorcycle is stolen and we agree you have a claim under this policy, we will reimburse you the costs incurred for a hire car for up to 14 days or until your vehicle is recovered and returned to you in a roadworthy condition, whichever is the earliest.

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### SUBSTITUTE VEHICLE

Comes with: **Comprehensive**

Applies to: **Motor Vehicles & Motorcycles**

- ✓ We will extend the third party legal liability aspect of your comprehensive cover to a substitute vehicle driven by you whilst your motor vehicle or motorcycle is being repaired as a result of a claim covered by this policy. In this case, reference to your vehicle in this PDS includes your substitute vehicle.

## WHAT IS NOT COVERED

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- ✗ This benefit does not apply to vehicles with Laid Up use cover.

- 
- ✗ We will not pay:
    - any deposit you are required to pay for the hire car,
    - any running costs of the hire car, or
    - if the vehicle usage on your policy certificate is Laid Up, Club Plate Use, Limited Use or Extreme Limited Use for the vehicle that was stolen.
  - ✗ We will not pay more than \$1,500 in total under this benefit.
- 

- ✗ We will not cover any loss or damage to the substitute vehicle.
- ✗ We will not cover legal liability arising from the use of the substitute vehicle, if it is already covered by another insurance policy.
- ✗ This benefit does not apply to vehicles with Laid Up use cover.

## WHAT IS COVERED

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### AUTOMATIC TRAILER COVER

Comes with: **Comprehensive**

Applies to: **Motor Vehicles & Motorcycles**

- ✓ If your trailer is not insured as a vehicle under this policy, we will pay you up to \$1000 for loss or damage to your trailer in the period of insurance if it is attached to your motor vehicle or motorcycle at the time of loss or damage.

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### RIDING APPAREL COVER

Comes with: **Comprehensive**

Applies to: **Motorcycles**

- ✓ Following loss or damage to your motorcycle covered by this policy, we will also pay for loss or damage to your and your pillion passenger's riding apparel.

You must provide the damaged property to us so that we can inspect it. If you wish to keep the damaged property, we will determine its salvage value, and deduct this amount from your claim. Otherwise, the damaged apparel becomes our property.

**Riding apparel** means any items of clothing worn specifically for the riding of a motorcycle. This includes helmet (including visor and/or radio communications); gloves; leather jacket and leather pants designed for motorcycle riding; riding boots and any other motorcycle riding specific gear such as rib braces, spine guards and knee guards.

Generic items of clothing and personal effects, not exclusively used for motorcycle riding, are not riding apparel.

## WHAT IS NOT COVERED

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- ✗ We will not pay:
    - for the loss of or damage to any contents of the trailer,
    - for any fixtures or equipment attached to the trailer, or
    - if the trailer is not owned by you.
  - ✗ This benefit does not apply to vehicles with Laid Up use cover.
- 

- ✗ We will not pay:
  - more than \$3,000 in total for your riding apparel,
  - more than \$1,500 in total for your pillion passenger's riding apparel, or
  - more than \$1,000 in total for any individual item, unless it is shown on your certificate, and if so, only up to the value shown.
- ✗ This benefit does not apply to vehicles with Laid Up use cover.

## WHAT IS COVERED

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### LEARNER DRIVERS

Comes with: **Comprehensive & Third Party Legal Liability**

Applies to: **Motor Vehicles**

- ✓ Persons driving your motor vehicle on a learners permit whilst under instruction from an experienced, fully licensed driver are automatically covered to drive your motor vehicle subject to the terms of this policy.

For vehicles with a restricted driver condition, learner drivers will be covered only if the experienced, fully licensed driver giving instruction is a driver listed on your certificate.

Any young driver excess will be based on the age of the experienced, fully licensed driver.

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### THEFT OF KEYS AND RE-CODING

Comes with: **Comprehensive**

Applies to: **All Vehicles**

- ✓ If the keys to your vehicle are stolen during the period of insurance we will pay up to \$2,000 in total, after you pay your excess, for the repair, replacement or re-coding of your vehicle keys, locks and barrels.

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### CHANGE OF VEHICLE

Comes with: **Comprehensive**

Applies to: **Motor Vehicles & Motorcycles**

- ✓ If you sell your motor vehicle or motorcycle and buy another during the period of insurance, we will automatically cover the replacement motor vehicle or motorcycle for a period of 14 days from the date you bought the replacement vehicle. In this case, reference to your vehicle in this PDS includes your replacement vehicle, during that 14 day period.



## WHAT IS NOT COVERED

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- ✗ Persons riding a motorcycle on a learners permit are not covered by this policy.
- ✗ This benefit does not apply to vehicles with Laid Up use cover.

- 
- ✗ We will not pay unless the theft of your keys has been reported to the police.
  - ✗ Cover under this benefit does not entitle you to a claim for a hire car or any other additional benefit.
- 

- ✗ Cover for the replacement motor vehicle or motorcycle will cease at the end of the 14 day period unless you have contacted us and we have agreed in writing to insure the vehicle and you have paid any extra premium required by us.
- ✗ The agreed value of the replacement vehicle will not exceed the current agreed value on your certificate; the purchase price of the replacement vehicle; or \$300,000; whichever is the lesser.

## WHAT IS COVERED

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### UNINSURED THIRD PARTY

Comes with: **Third Party Legal Liability**

Applies to: **Motor Vehicles & Motorcycles**

- ✓ We will cover you for damage to your motor vehicle or motorcycle during the period of insurance as a result of an accident caused by the driver of another vehicle who is uninsured, and we agree that the accident is not your fault, and you can provide us with the:
  - current name and address of the driver and/or owner of the other vehicle, and
  - registration number and description of the vehicle at fault.

We will pay the cost of towing your motor vehicle or motorcycle to the nearest repairer or place of safety if it cannot be driven after it is damaged.

We will pay you for the cost of reasonable repairs to your motor vehicle or motorcycle, or the market value of your motor vehicle or motorcycle, whichever is the lesser. No excess will apply to your claim.

**Uninsured third party** means a driver whom you are able to prove did not have current insurance cover providing them, or the owner of the third party vehicle, with cover for damage caused to your motor vehicle or motorcycle at the time of the accident.

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### TOOLS AND PERSONAL EFFECTS

Comes with: **Comprehensive**

Applies to: **All Vehicles**

- ✓ We will pay up to \$500 in total to replace your tools and personal effects that are stolen from your locked vehicle or that are damaged as a result of loss or damage to your vehicle covered by this policy during the period of insurance.

### MORE DETAILS

For examples on how claim payments may typically be calculated in relation to some additional benefits of this policy, refer to our Premiums, Excesses, Discounts and Claims Payments Guide available at [shannons.com.au/insurance/financial](http://shannons.com.au/insurance/financial). A copy of this guide will be provided to you on request at no charge, if you contact us on 13 46 46.

## WHAT IS NOT COVERED

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- ✗ We will not cover you if the driver who caused the damage is insured.
- ✗ We will not pay any more than \$5000 to you under this benefit including towing costs.

- 
- ✗ The following personal effects are not covered:
    - cash, credit or debit cards or negotiable documents,
    - goods carried in connection with any business or occupation.

## OPTIONAL COVERS

The following covers will apply to your policy if you have chosen them and they are shown on your certificate, or the cover shows that it automatically applies. You can only choose to add a benefit to your policy if you have the type of cover and the type of vehicle that the benefit is shown to apply to. All of the terms, conditions and exclusions of this policy apply to the optional covers, unless the benefit says otherwise.

### WHAT IS COVERED

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#### SALVAGE RIGHTS

Available with: **Comprehensive**

Applies to: **All Vehicles**

- ✓ If your vehicle is over 35 years old, or this option is shown on your certificate, and we declare your vehicle a total loss, you will keep the unrepaired vehicle at no cost.

#### RACING COVER

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Available with: **Comprehensive**

Applies to: **Motor Vehicles & Motorcycles**

- ✓ If your motor vehicle or motorcycle is over 60 years old, or this option is shown on your certificate, subject strictly to the terms shown on your certificate, we will pay for loss or damage to your motor vehicle or motorcycle if at the time of loss or damage you are driving or using your motor vehicle or motorcycle whilst participating in, preparing for, practicing for or familiarisation for a motor sport event, but only if the event is either:
  - an event sanctioned by a motor sport governing body, and your participation in that event requires a licence of any kind issued by a motor sport governing body and you are the holder of such a licence, or
  - an event which has been approved by us in writing or by way of endorsement to your policy.

#### MORE DETAILS

For examples on how claim payments may typically be calculated in relation to the optional covers in this policy, refer to our Premiums, Excesses, Discounts and Claims Payments Guide available at [shannons.com.au/insurance/financial](http://shannons.com.au/insurance/financial). A copy of this guide will be provided to you on request at no charge, if you contact us on 13 46 46.

## WHAT IS NOT COVERED

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- ✗ Salvage rights will not apply if your vehicle is stolen and we settle your claim as a total loss.
- 
- ✗ We will not pay more than the lesser of:
    - the agreed value of your vehicle;
    - \$20,000; or
    - the cost to repair or replace your vehicle (if it is a total loss, see new vehicle replacement on page 24).
  - ✗ This policy does not provide any cover in respect of legal liability arising from or connected with the use of your vehicle when participating in, preparing for, practicing for or familiarisation for any motor sport event, whether or not that event is sanctioned by a motor sport governing body or requires a licence issued by a motor sport governing body to participate in.

## EXCLUSIONS APPLICABLE TO YOUR POLICY

**YOU ARE NOT COVERED UNDER ANY SECTION OF THIS POLICY FOR LOSS, DAMAGE OR LIABILITY CAUSED BY, ARISING FROM OR INVOLVING THE FOLLOWING:**

- X** Your vehicle being used other than in accordance with the vehicle usage shown on your certificate.
- X** Your collectable caravan being used as a place of residence.
- X** Your motorcycle being ridden by any person on a learners permit, unless your motorcycle was stolen.
- X** Your vehicle being used by any person who is not a listed driver, if your certificate shows that your policy is restricted to listed driver(s) only, unless your vehicle was stolen by a person who was not a listed driver.
- X** Your vehicle being driven by or in the control of a driver:
  - under the influence of alcohol or drugs, and the alcohol or drugs contributed to the accident,
  - whose breath or blood alcohol level was above the legal limit in the state or territory where the accident occurred, or
  - who refused to take a legal test for alcohol or drugs,unless your vehicle was stolen by that person.
- X** Loss or damage not caused by the accident or event you are claiming for.
- X** Faulty repairs or faulty workmanship, other than repairs covered under Shannons Lifetime Guarantee.
- X** Participation at any track day, racing school, high speed motor skill or racing preparation course or on any race track or testing ground or a closed road (unless cover has been provided under the racing cover option and then only in respect of damage to your vehicle and subject to the terms and limitations set out under the racing cover option on pages 34 & 35).
- X** Your vehicle being driven or used in any form of motor sport or while being used in preparation, practice or familiarisation for motor sport (unless cover has been provided under the racing cover option and then only in respect of damage to your vehicle and subject to the terms and limitations set out under the racing cover option on pages 34 & 35).

- X Your vehicle being driven or ridden, or any trailer or caravan attached to your vehicle being used, while unregistered or while it should have been registered according to law.
- X Your vehicle, or any trailer or caravan attached to your vehicle carrying either passengers or a load, or towing a load, in excess of that for which it was designed or is permitted by law.
- X Your vehicle being present at or upon a race track or testing ground, or at or upon land immediately adjacent to a race track or testing ground, unless:
  - you prove that your vehicle is there solely for a purpose other than driving or riding or use in a motor sport event to be conducted, being conducted at or upon the race track or testing ground, or
  - cover has been provided under the racing cover option and then only in respect of damage to your vehicle and subject to the terms and limitations of the racing cover option on pages 34 & 35.
- X Your vehicle, or any trailer or caravan being towed by your vehicle, being used whilst in an unsafe, un-roadworthy or damaged condition unless you can prove the loss, damage or liability was not contributed to or caused by that condition.
- X Your vehicle being driven by a driver after they have received medical advice that their ability to drive is impaired by their medical condition or medical treatment, unless your vehicle was stolen.
- X Your vehicle being used in connection with motor trade for experiments, tests, trials or demonstration purposes.
- X Your vehicle being used to carry passengers for hire or reward (unless your vehicle is insured for business use or wedding hire use as shown on your certificate).
- X An intentional or reckless act by you or by a person acting with your consent.
- X The lawful seizure or repossession of your vehicle.
- X Any contract or undertaking entered into by you or someone with permission to drive your vehicle without our written authority.

**YOU ARE NOT COVERED UNDER ANY SECTION OF THIS POLICY FOR LOSS, DAMAGE OR LIABILITY CAUSED BY, ARISING FROM OR INVOLVING THE FOLLOWING:**

- X** The use, misuse, or existence of nuclear weapons or the use, misuse, escape or existence of nuclear fuel, waste or materials or ionising radiation or contamination from such fuels, waste or materials, or the combustion, detonation, fission and/or fusion of nuclear fuel or nuclear materials.
- X** The existence of, or operation of, or threatened existence or operation of chemical or biological weapon(s) or actual or threatened pollution or contamination from such weapons, or action taken by a public authority or anyone authorised by a public authority to prevent, limit or remedy such pollution or contamination.
- X** War, invasion, act of a foreign enemy, hostilities (whether war be declared or not), civil war, rebellion or insurrection.

**THERE IS NO COVER UNDER THIS POLICY FOR:**

- X** Any loss, damage or liability incurred or arising outside of Australia.
- X** Damage to tyres caused by the application of brakes, road punctures, cuts or bursting.
- X** Financial loss or compensation because your vehicle's value was less after being repaired, or because you cannot use your vehicle.
- X** Any wear and tear, rust, corrosion or depreciation.
- X** Mechanical, structural, electrical or electronic breakdown, failure or malfunction.
- X** Gradual deterioration.
- X** Any additional loss or damage to your vehicle as a result of it being driven after an accident.
- X** Any additional loss or damage to your vehicle resulting from your failure to protect your vehicle after it has been involved in an accident, broken down or been recovered after being stolen.





## MAKING A CLAIM

The checklist below can help to ensure you have done all you need to do to enable us to handle your claim quickly.

### WHAT YOU MUST DO WHEN YOU MAKE A CLAIM

- ✓ **Call us immediately.** If you have an accident or your vehicle is stolen, please contact us immediately on **13 46 46**, providing full details of the event which has occurred. Once you have provided us with these details, we will advise you of what is required next. You can contact us 24 hours a day.  
  
You must promptly forward any demand, writ, summons or proceedings which you receive relating to any prosecution, inquest or hearing and all other information relevant to those matters where any liability under this policy may arise.
- ✓ **At the scene of the accident.** Depending on the laws of the State or Territory in which the accident occurs, you must contact the police immediately. If possible, get the full name, address and phone number of the person or persons involved in the accident, as well as the vehicle registration numbers and insurance details.
- ✓ **If a crime is suspected.** Immediately advise the police of any malicious damage or act, theft, attempted theft or loss. You will need to give us the name of the police officer, the police station reported to and the date reported, or the police report number.
- ✓ **Prevent further loss.** Do everything you reasonably can to prevent any further loss, theft or damage from occurring.
- ✓ **Cooperate with us at all times.** When requested, you will need to provide us with all proofs, information, cooperation and assistance in relation to a claim including giving evidence in court if necessary.

- ✓ **Assist us with your claim.** You, or the driver of your vehicle, will need to give us any information deemed relevant to your claim, which we may need in order to handle, assess or investigate your claim, and to arrive at a settlement of your damage or loss. If we require, you, or the driver of your vehicle, will need to be interviewed by us (or our agent).

You will need to make your vehicle available for inspection by us or our representative, and if we require, deliver your vehicle to us. You may need to provide us with your permission to tow your vehicle to a place nominated by us, such as a repairer.

If you make a claim and we wish to recover the amount we have paid from another person, you, and any other person entitled to cover under this policy, must give us any information and help that we may reasonably require.

- ✓ **Providing proof of ownership and evidence of the value of your vehicle.** When requested, you will need to provide us with evidence of ownership and value of your vehicle including any modifications and/or accessories.

Some acceptable proof of ownership and evidence of value documents are listed below:

- Registration of the vehicle.
- Contracts of sale.
- Photographs.
- Receipts, bank and credit card statements.

If you are unable to provide us with the proof of ownership and/or the evidence of value we require, we can reduce or refuse to pay your claim.

- ✓ **Pay your excess.** You may be required to pay us one or more excesses in respect of your claim. We will tell you when an excess is payable. For further information on excesses applicable to your policy, see page 43.

## WHAT YOU MUST NOT DO WHEN YOU MAKE A CLAIM

- X Admit fault.** You must not admit fault or liability to anyone, offer, agree or promise to settle any claim without our prior consent. If you do so, we can refuse to pay your claim.
- X Authorise repairs.** Following a loss, you should not carry out or authorise any repairs or arrange replacement of any property without our prior consent (other than emergency repairs up to \$500 in total). If you do so, we can refuse to pay your claim.
- X Dispose of damaged goods.** You will need to keep any damaged property for inspection and assessment of repair costs by us or our representative.

## IMPACT OF A CLAIM ON YOUR NO CLAIM DISCOUNT

If you have earned a protected no claim discount, it will be shown on your certificate. Your no claim discount will not be reduced for any claim you make, even if you are at fault in an accident.

If your no claim discount is not protected and you make a claim, you will keep your no claim discount if:

- we agree the loss or damage to your vehicle was not your fault, and
- you tell us the name of the person at fault, their current address and the registration number of their vehicle.

We will reduce your no claim discount for all other claims at the next renewal of your policy. Your no claim discount will not be affected by a claim for windscreen or window damage only. (Limit one windscreen claim per vehicle per period of insurance, see page 20 for details).

## MORE DETAILS

For further details about the no claim discount, please refer to our Premiums, Excesses, Discounts and Claims Payments Guide available at [shannons.com.au/insurance/financial](http://shannons.com.au/insurance/financial). A copy of this guide can be provided to you on request at no charge, if you contact us on 13 46 46.

## EXCESSES

When you make a claim under this policy you will be required to pay the basic excess, unless advised by us. You may also be required to pay additional excesses that apply to your claim. When one or more excesses apply to your policy, those amounts will be shown on your certificate.

If your claim is for loss or damage caused by more than one incident, you will need to pay the relevant excesses for each incident.

We will either deduct the applicable excesses from the amount we pay you for a claim or direct you to pay the excesses to us or to the appointed repairer or supplier. We may require you to pay the excess before we settle your claim. The types of excesses are:

### BASIC EXCESS

This is the amount that you may be required to contribute towards your claim. The amount of your basic excess is shown on your certificate.

### THEFT EXCESS

We will apply this excess if the loss or damage is caused by theft or attempted theft. The amount of your theft excess is shown on your certificate and is in addition to your basic excess.

### YOUNG DRIVER EXCESS

The young driver excess will be applied in addition to the basic excess and you will be required to pay it to us, if the person driving at the time of the loss or damage is under the age of 25. The young driver excess will differ depending on whether the driver is listed on your certificate. The young driver excesses are shown on your certificate.

The young driver excess will not apply to:

- hail, flood, storm, or bushfire damage or other natural disasters;
- windscreen or glass only claims;
- classic vehicles aged 35 years or more;
- loss or damage if your motor vehicle or motorcycle is being used by a driver in an extreme medical emergency;
- learner drivers who are accompanied by a fully licensed driver 25 years of age or more; or
- claims for loss or damage caused by an employee of a hotel, restaurant, service station or licensed garage using your vehicle for the purpose of parking, upkeep or repair.

## HOW WE SETTLE YOUR CLAIM

If we agree to pay a claim for loss, theft or damage to your vehicle, we will choose to:

- repair your vehicle,
- pay you the cost to repair your vehicle, or
- if your vehicle is a total loss, pay you the agreed value or replace your vehicle (if eligible under the new vehicle replacement benefit, see page 24).

if another party your current credit provider has a financial interest in your vehicle we may pay them where required by law to do so.

If we agree to pay a claim for loss, theft or damage to your personal effects, we will choose to:

- repair or replace them to the same condition, standard and specification as before the incident; or
- pay you what it would cost us to repair or replace them.

We do not pay for a replacement of a set, for example wheels, when only part of a set is lost or damaged.

If you make a third party legal liability claim that is covered under this policy we can decide to defend you, settle any claim against you, or represent you at an inquest, official enquiry or court proceedings. If we decide to defend you, settle any claim against you, or represent you, then you must give us all the help we need, including help after your claim is settled.

## GST

All agreed values and limits of liability stated in your policy are GST inclusive except if you are entitled to an Income Tax Credit (ITC) for your insurance premium. In this case, the agreed values and limits of liability stated in your policy are exclusive of any ITC which you are or would be entitled to claim.

## MORE DETAILS

For more details about our excesses and for examples about how a claim payment might typically be calculated, refer to our Premiums, Excesses, Discounts and Claims Payments Guide available at [shannons.com.au/insurance/financial](http://shannons.com.au/insurance/financial). A copy of this guide will be provided to you on request at no charge, if you contact us on 13 46 46.

## REPLACEMENT PARTS OR ACCESSORIES

When your vehicle is within the manufacturer's new vehicle warranty period, we will use new original equipment manufacturer (OEM) parts when we authorise repairs to your vehicle. However, Australian design rule compliant parts may be used for the replacement of windscreens and window glass.

When your vehicle is outside the manufacturer's new vehicle warranty period, we will use new and/or reconditioned OEM parts when we authorise repairs to your vehicle. However, Australian design rule compliant parts may be used for the replacement of windscreens and window glass. We may use parts produced by OEM suppliers for the repairs of some components, such as radiators and air conditioning condensers.

In the event that any replacement part cannot be obtained or replicated immediately, we may choose to pay you the value of the replacement part (together with a reasonable charge for fitting) rather than supply the replacement part.

If only part of a set is damaged or stolen, for example wheels, we will not pay for the entire set to be replaced.

For parts or accessories that we agree to replace that are not readily available in Australia, we will only pay the cost of the parts and cost of shipping the parts via sea. We will not pay for air freight.

We will also pay the reasonable cost of fitting the parts.

## SUB-CONTRACTING REPAIRS

We may sub-contract and any repairer we authorise to repair your vehicle may sub-contract some of the repairs.

## IF YOUR VEHICLE IS IN BETTER CONDITION AFTER THE CLAIM

If the repair of your vehicle leaves it in a better condition than before it was damaged, we may ask you to contribute to the repair cost. If we ask you to contribute we will explain why, tell you how much it will be and how to pay it.

## CONDITIONS APPLICABLE TO YOUR POLICY

### IF YOUR VEHICLE IS A TOTAL LOSS

#### END OF POLICY ON A TOTAL LOSS

This policy is at an end if we agree to pay your claim and we declare your vehicle a total loss.

#### WHAT HAPPENS TO YOUR PREMIUMS AFTER A TOTAL LOSS

When we agree to pay a claim for your vehicle and your vehicle is a total loss, all our obligations under this policy will be fulfilled.

This means:

- if you pay your premium annually, you will not receive a refund of premium,
- if you pay your premium by instalments, we will deduct any remaining instalments from the amount of the claim before we pay it to you or we may require you to pay the remaining instalments to us before settling your claim.

## CONDITIONS APPLICABLE TO YOUR POLICY

#### DRIVER PARTICULARS

You must give us prompt notice of any:

- addition to or change in regular drivers of your vehicle,
- vehicle accidents in which you or any driver of your vehicle are involved,
- driving offences and/or traffic infringements of which you or any driver of your vehicle incur,
- criminal offences relating to fraud, theft, arson, malicious or wilful damage of which you or any driver of your vehicle are convicted.

#### WHAT YOU MUST TELL US

If you do not comply with “What you must tell us” and “Keeping your details up to date” on page 5 of the PDS, we may refuse to pay a claim, reduce the amount we pay, or cancel your policy.

#### INSPECTION

We shall at all reasonable times have free access to examine your vehicle.

#### HAZARDOUS GOODS

If you are carrying or using hazardous goods or substances with your vehicle, you must obey all applicable laws, by-laws or statutory regulations.



## OTHER PERSONS BOUND BY THIS POLICY

Any person entitled to cover under this policy is bound by its terms and conditions.

## BREACH OF POLICY

If you fail to comply with this policy and your breach or failure prejudices our interests, we may refuse to pay any claim under this policy either in whole or in part. We may also choose to cancel your policy, or do both.

## FRAUDULENT CLAIMS

If any claim made under this policy is made fraudulently, we may refuse payment of the claim, or cancel your policy, or do both.

## REASONABLE PROTECTION AND MAINTENANCE

You must take all reasonable steps to protect your vehicle from loss, theft and damage, and comply with all legal requirements regarding the safety and maintenance of your vehicle.

## LEGAL REPRESENTATION

We may represent or defend you or any person entitled to cover under this policy in respect of legal liability as we see fit at any inquest or inquiry or in any action or proceedings.

## NOTIFICATION OF CHANGE

You must notify us as soon as possible if any change is made to your vehicle which might affect the nature of the risk covered by this policy.

## CANCELLATIONS

### CANCELLATION BY YOU

You may cancel this policy at any time, either by telephone or in writing. If you cancel this policy, you will be refunded the unexpired portion of the premium, less any non-refundable government taxes and duties.

### CANCELLATION BY US

We may cancel this policy at any time where we are entitled to do so under the Insurance Contracts Act. If we cancel this policy, we will repay the amount of the premium paid for the unexpired period of this policy calculated from the date of cancellation, less any non-refundable government taxes and duties.

See also Important Information for Customers Paying by Instalments on page 7.

## DEFINITIONS OF IMPORTANT WORDS AND PHRASES

The following list explains the meaning of terms used in this PDS. When any of the following terms appear in this PDS, their meaning is shown on the following pages.

**Accident** means an incident that occurs without intent.

**Accessories** are items or equipment installed to your vehicle that increases your vehicle's value, but does not alter the safety, performance or handling of the vehicle. Accessories include but are not limited to sound systems, instruments, and interior improvements.

**Address** is where your vehicle is usually kept when not being driven as shown on your certificate.

**Agreed value** means the dollar value of your vehicle, inclusive of all accessories and modifications as agreed to by us, and shown on your certificate. Your vehicle's agreed value is set at the beginning of each period of insurance.

**Certificate** is the document we have given you which shows the cover you have chosen, optional covers and other policy details. Together with the PDS, your current certificate forms your contract with us.

**Collectable caravan** means the caravan or campervan described on your certificate which is 35 years of age or more that is used for recreational purposes.

**Driver** means a driver in the case of a motor vehicle and a rider in the case of a motorcycle.

**Excess** means the amount you may be required to contribute towards each claim. More than one excess may apply. The amounts and types of excess are shown on your certificate.

**Family** means the following people who normally live with you:

- your spouse or partner,
- your children, parents, grandparents, grandchildren, brothers and sisters,
- the children, parents, grandparents, grandchildren, brothers and sisters of your spouse or partner.

**Modifications** are alterations or additions to your vehicle that alters the safety, performance or handling of your vehicle. Modifications include but are not limited to body, exhaust, transmission and suspension.

**Motor enthusiast club** is an organisation (other than incorporated companies whose main business is the manufacture of vehicles) for motor vehicle, motorcycle and caravan enthusiasts who are passionate about particular motor vehicles, motorcycles and motoring activities.

**Motor sport** means any form of motor vehicle or motorcycle racing or sport, whether formally or informally arranged or impromptu, including, but not limited to: racing, circuit racing, rallying, karting, demonstration, pacemaking, hill climbing, drifting, drag racing, speedway racing, reliability or regularity trial, speed time test, motorkhana, khanacross, touring assemblies, observed section trials, power cruises and off road events such as rock crawling or mud racing.

**Motor sport governing body** is a body that conducts, administers, promotes, manages or regulates organised recreational or professional motor sport in Australia. Motor sport governing bodies also issue licences to competitors.

**Motor vehicle** - see page 9.

**Motorcycle** - see page 9.

**No claim discount** is a discount off your premium. If you have a no claim discount, it is shown for each vehicle on your certificate. The discount for each motor vehicle increases each year to a maximum of 65% if you do not make a claim.

**Period of insurance** is the duration of time from the start date to the end date of your policy as shown on your current certificate.

**Personal effects** means belongings normally worn or carried by you or a member of your family.

Personal effects do not include:

- Cash, credit or debit cards or negotiable documents.
- Goods carried in connection with any business or occupation.

**Policy** means your contract of insurance with us and includes the PDS, your certificate and any endorsements.

**Premium** is the amount you pay us for your insurance cover. It includes any compulsory government statutory charges, levies, duties and taxes where applicable.

**Race track** or testing ground means:

- a road or other surface which is used as a race track or testing ground, or
- a public road (whether made or unmade) that, for the purpose of a motor sport event, has temporarily been closed for use by the public generally.

**Recreational purposes** means your collectible caravan is used for driving pleasure, vehicle shows and club events.

**Substitute vehicle** is a vehicle you drive whilst your vehicle is not able to be driven because your vehicle is being repaired as a result of a claim covered by this policy.

**Total loss** means the vehicle is stolen and not recovered or the cost to repair your vehicle is uneconomical, taking into consideration:

- the agreed value,
- the assessed cost of repairs,
- the assessed salvage value, and
- any towage or storage costs covered by this policy.

**Trailer** means the trailer or horse float described on your certificate.

**Vehicle** means the motor vehicle, motorcycle, collectable caravan or trailer shown on your certificate. See page 9 also.

**Vehicle usage** means the use of your vehicle shown on your certificate.

**We, us, our** means Shannons Limited on behalf of Australian Alliance Insurance Company Limited.

**You, your** means the person or people shown as the insured on your certificate.

## HOW WE RESOLVE YOUR COMPLAINTS

If you have a complaint about our products or services (even if through one of our service providers) or our complaints handling process, please let us know so that we can help.

You can contact us:

**By phone** 13 46 46

**In writing** Write to your local Shannons branch  
(addresses for these on the back of this PDS)

**By email** [enquiries@shannons.com.au](mailto:enquiries@shannons.com.au)

**In person** Come in and talk to us face to face at your local Shannons branch.

**By Fax** 1300 135 335

Please include the full details of your complaint and explain what you would like us to do.

Rest assured this is what we will do. When we receive your complaint, we will consider all the facts and attempt to resolve your complaint by the end of the next business day.

If we are not able to resolve the matter to your satisfaction, it will be referred to the relevant team leader or manager, who will review your complaint and contact you with their decision within 5 business days of us receiving your complaint.

If you remain dissatisfied the matter will be referred to our Internal Dispute Resolution (IDR) team. Our IDR team will review your complaint, and provide you with their final decision within 15 business days of your complaint being referred to them. The contact details for our IDR team are:

**By phone** 1300 240 664

**In writing** Internal Dispute Resolution,  
Shannons  
PO Box 14180,  
Melbourne City Mail Centre, Victoria 8001

**By email** [idr@shannons.com.au](mailto:idr@shannons.com.au)

**By Fax** 1300 316 047

If we require additional information for our assessment or investigation of your complaint, we will agree with you a reasonable alternative timeframe to resolve your complaint.

If we are unable to resolve your complaint within 45 days, you may take your complaint to the Financial Ombudsman Service (the FOS), even if we are still considering it. The contact details for the FOS are set out on the next page.

## WHAT IF YOU ARE NOT SATISFIED WITH OUR FINAL IDR DECISION?

We expect our procedures will deal fairly and promptly with your complaint. However, if you remain dissatisfied, you may be able to access the services of the FOS. The FOS is an independent external dispute scheme and their service is free to you. Any decision the FOS makes is binding on us, provided you also accept the decision. You do not have to accept their decision and you have the option of seeking remedies elsewhere.

The FOS is available to customers who fall within their terms of reference. The FOS will advise if they can help you.

You can contact FOS:

**By phone** 1800 367 287 (for the cost of a local call)

**By Fax** (03) 9613 6399

**By email** [info@fos.org.au](mailto:info@fos.org.au)

**In writing** Financial Ombudsman Service  
GPO Box 3  
Melbourne VIC 3001

**By visiting** [fos.org.au](http://fos.org.au)

## GENERAL INSURANCE CODE OF PRACTICE

We believe it is important that insurance companies meet high performance and service standards. We fully support the General Insurance Code of Practice. The Code sets the standards of customer service to be provided by the insurance industry. It covers matters such as purchasing insurance, claims handling and dispute resolution.

The Code is the general insurance industry's promise to be open, fair and honest in the way it deals with customers. You can obtain more information about the Code from your local Shannons branch or the Insurance Council of Australia.

## YOUR PRIVACY

We are committed to protecting the privacy of your personal information. We collect your personal information so that we can provide our products and services to you. If you don't provide us with the information we ask for, we may not be able to assist you.

We may give your personal information to other parties, including AAI, other insurance companies, service providers, and other companies within the Suncorp Group. You can access the personal information we hold about you, or ask to amend it if it's wrong, by contacting us (see our contact details on the back cover). Some limits to access apply, and we'll always tell you if they do.

For full details about how we deal with your personal information read our privacy policy at [shannons.com.au](http://shannons.com.au) or call us on 13 46 46 for a free copy.

## FINANCIAL CLAIMS SCHEME

This policy may be a 'protected policy' for the purposes of the Federal Government's Financial Claims Scheme (FCS). For more information about the FCS, you can read our Premiums, Excesses, Discounts and Claims Payments Guide available at [shannons.com.au/insurance/financial](http://shannons.com.au/insurance/financial). A copy of this guide will be provided to you on request at no charge, if you contact us on 1300 55 88 49.

# SHANNONS BRANCHES

## AUSTRALIAN CAPITAL TERRITORY

20, 2 Yallourn Street, Fyshwick 2609

## NEW SOUTH WALES

Unit B, 12 Frederick Street, St Leonards 2065

## NORTHERN TERRITORY

Hidden Valley Motor Sports Park,  
Hidden Valley Road, Berrimah 0828

## QUEENSLAND

Unit 5, 305 Montague Road, West End 4101

## SOUTH AUSTRALIA

863-865 South Road, Clarence Gardens 5039

## TASMANIA

337-341 Argyle Street, North Hobart 7000

## VICTORIA

321 Warrigal Road, Cheltenham 3192

## WESTERN AUSTRALIA

152 Burswood Road, Burswood 6100

**Call 13 46 46**



**SHARE THE PASSION**

**National Claims Email: [claims@shannons.com.au](mailto:claims@shannons.com.au)**

Agent for Insurer & Authorised Representative

**Shannons Limited**

ABN 91 099 692 636 Authorised Representative No. 239594

Insurer & Licensee

**Australian Alliance Insurance Company Ltd**

ABN 11 006 471 709 Australian Financial Services Licence No. 235011