



**SHARE THE PASSION**

**SHANNONS  
MOTOR  
INSURANCE**

**PRODUCT DISCLOSURE STATEMENT**

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# INTRODUCTION

## WELCOME TO SHANNONS

Shannons has specialised in insurance for motoring enthusiasts for over 40 years. We enjoy a unique relationship with motoring enthusiasts and our dedicated team is in place to offer you a knowledgeable personalised service.

### **Why is this document important?**

This Product Disclosure Statement (PDS) is an important legal document that contains details of your Shannons Motor Insurance if you purchase this product from us. It also explains in the 'Important information about us' statement (see page 8), certain information about the financial services we offer, how we are remunerated and what relationships we have with others, to help you decide if you would like to use the services we offer. This PDS also explains how we will deal with your complaint if you ever have a concern with your dealings with us. You will receive a PDS if you buy a policy or if we provide another financial service to you.

Before you decide to buy this product from us, please read this PDS carefully. If you purchase this product, your policy comprises of this PDS and your certificate which shows the details particular to you.

You may need to refer to this document from time to time, so keep it in a safe place.

### **How to use this PDS**

We have designed this PDS so that it is easy for you to see what is covered and what is not covered. In most areas of the PDS, we have put a '✓' ahead of 'What is covered', and a 'X' ahead of 'What is not covered'. Where a limit applies to a particular benefit of this policy, in most cases it will be shown within 'What is covered' under the heading of 'Limit'. There are policy exclusions, limitations and conditions that apply to all covers.

### **Updating information**

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 materially adverse from time to time without needing to notify you. You can obtain a copy of any updated information by contacting us. We will give you a free paper copy of any updates if you request them. In some circumstances the terms and conditions of this PDS may be amended by a Supplementary PDS (SPDS).

### **Motor Insurance Additional Information Guide**

Throughout this PDS you will be referred to a guide called: Motor Insurance Additional Information Guide. This guide will provide you with further information about claim payments, premiums, excesses, rewards and discounts. This guide is available at [shannons.com.au](http://shannons.com.au). You can also obtain a copy of this guide on request, at no charge, if you contact us on **13 46 46**.

## **Communicating with you electronically**

We may agree to send your policy documents and policy related communications electronically. This will be by email and/or other types of electronic communication methods. Policy documents and policy communications will be provided to you in this way unless we tell you it is no longer suitable. If we agree to communicate with you electronically, you will need to provide us with your current email address and your Australian mobile phone number. You will need to contact us if this email address or mobile number change.

Each electronic communication will be deemed to be received by you at the time it leaves our information system.

## **Cooling off**

After this insurance begins or you renew your policy for another period of insurance, you have **21** days to consider the information in this PDS. This is called the 'cooling off period'. If you wish, and provided you have not made a claim, you can exercise your cooling off rights within **21** days from the day cover began or was renewed. When you exercise your cooling off rights, we will refund in full the money you have paid for that period of insurance but you will have no cover from when your policy would have otherwise begun or from your renewal date.

Alternatively, you can cancel your policy at any time during the period of insurance. When you do this, and unless we tell you otherwise, you will have cover up until the date of cancellation. For more information, see 'Cancellation by you' on page 54.

## **Who is this product designed for?**

This insurance product is designed for motoring enthusiasts who own vehicles such as imported, modified, classic, veteran, vintage or contemporary vehicles.

This product is designed to insure a range of different types of vehicle usage including private, business and wedding hire and frequency of vehicle use including regular, limited, extreme limited, club plate and laid up, but does not cover ridesharing. For more details about the available usage types and frequency covers see page 15.

## YOUR RESPONSIBILITIES

### **You must:**

- take all reasonable precautions to prevent damage or theft, for example:
  - move your vehicle away from rising waters including tides;
  - do not drive into water;
  - accompany anyone test driving your motor vehicle when it's up for sale.
- keep your vehicle well maintained and in a good and roadworthy condition (e.g. replace worn out tyres, replace worn brakes and defective lights, fix paint problems including clear coats, repair major rust, repair worn upholstery and repair major scratches or dents) unless you tell us about the condition of your vehicle and we agree to insure it;
- service your vehicle as required by the manufacturer and keep records of this in case you need to claim for mechanical damage resulting from an incident;
- follow all the terms, conditions and responsibilities set out in your policy;
- provide honest and complete information for any claim, statement or document supplied to us;
- tell us about any modifications and/or accessories that are fitted to your vehicle.

### **Not meeting your responsibilities**

If you do not meet your responsibilities, it may lead us to do either or both of the following:

- reduce or refuse to pay your claim;
- cancel your insurance policy.

If fraud is involved, we can treat your policy as if it never existed.

### **More than one named insured**

If there is more than one named insured on your certificate, we will treat a statement, act, omission, claim, request or direction (including to alter or cancel your policy) made by one as a statement, act, omission, claim, request or direction by all those named as insured on your certificate.

## RESTRICTED DRIVER/RIDER CONDITION

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

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

- a driver/rider listed on your certificate;
- any member of the motor trade who has control or custody of the vehicle for maintenance or repair;
- any law enforcement officer or emergency services person;
- 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 of your motor vehicle under instruction from a driver listed on your certificate. (See learner drivers on page 28).

### **Some words in your policy have special meanings**

Some words when used in this PDS have special meanings. Most of the words with special meanings are defined in the 'Definitions of important words and phrases' section on pages 55 to 58.

## IMPORTANT INFORMATION ABOUT US

This important information about us statement was completed on (18 March 2020).

### **Who are we?**

Shannons Pty Limited ABN 91 099 692 636 (Shannons), authorised representative No 239594. The contact details for Shannons are on the back cover.

### **Who do we act for?**

Shannons is an agent (acting under a binder) and authorised representative of AAI Limited ABN 48 005 297 807 (AAI Limited). AAI Limited holds Australian Financial Services Licence No. 230859. The contact details for AAI Limited are on the back cover. AAI Limited has authorised this 'Important information about us' statement.

AAI Limited has prepared this PDS and is the insurer of the policies referred to under 'What financial services do we offer' that are arranged by Shannons. Shannons is a wholly owned subsidiary of AAI Limited and both are members of the Suncorp Group. As AAI Limited is regulated by the Australian Prudential Regulation Authority (APRA) it is exempt from the requirement to hold professional indemnity insurance cover. AAI Limited as the insurer will receive the premiums paid for the policy.

### **What financial services do we offer?**

Shannons is authorised by, and acts on behalf of AAI Limited to issue insurance under a binder, to arrange, vary and cancel insurance, handle and settle claims and provide general and personal financial product advice in relation to Shannons branded general insurance policies issued by AAI Limited.

### **How are we paid for providing the financial services?**

Shannons does not receive any commissions or benefits from AAI Limited for giving you advice or for the insurance policies it arranges. AAI Limited and other Suncorp Group companies provide Shannons with the resources it needs to provide the financial services, such as staff employed by the Suncorp Group of 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 direct result of this.

### **How we will deal with a complaint?**

We provide a complaint resolution process. For full details see page 59.



## ABOUT YOUR PREMIUM

The premium is the amount you pay us for this insurance. It includes the amount which we have calculated will cover the risk, as well as any applicable stamp duty, GST, charge and levy. The total amount payable will be shown on your certificate or, if you pay by instalments, the instalment premium will be shown on your certificate.

In addition to the amount we agreed to cover your vehicle for, we use many factors about you and your vehicle to work out your premium. These are called premium factors. The premium factors we use reflect the likelihood of you making a claim together with other factors related to our cost of doing business.

Each time you renew your insurance your premium is likely to change, even if your personal circumstances have not changed. This is because premiums are affected by other things such as our expenses of doing business and changes in our approach to how we calculate the premium.

Your premium includes any discounts we have given you.

**Refer to the Motor Insurance Additional Information Guide for further information.**

## PAYING YOUR PREMIUM

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

You can pay in one annual payment or if we agree, by instalments. Unless we tell you, any payment reminder we send you does not change the expiry or due date.

If you do not pay the full amount, we may reduce the period of insurance so it is in line with the amount you paid.

If you make a change to your policy during your period of insurance it may affect the premium you need to pay for the remainder of your period of insurance.

### **Late annual, half yearly and quarterly payments**

If you do not pay your premium by the due date, we will give you a written notice of policy cancellation where we are required by law to do so.

### **Overdue monthly instalments**

If you pay your premium by monthly instalments and your instalment is overdue, we can do one or both of the following:

- refuse to pay a claim if an instalment is 14 days (or more) overdue;
- cancel your policy if an instalment is 1 month (or more) overdue. We will notify you of the cancellation.

## WHEN YOU NEED TO CONTACT US

You need to tell us immediately if:

- any details on your certificate of insurance are no longer accurate, such as driving history or regular drivers;
- any of your contact details change, such as your Australian mobile number or email address;
- you replace your vehicle (see below);
- there are any changes to the physical condition of your vehicle;
- you have added accessories or modifications to your vehicle (see page 14);
- the place where you keep your vehicle changes;
- the drivers/riders of your vehicle change;
- the type of vehicle usage or frequency of vehicle use changes (see to pages 15 and 16 for more details).

### **What we will do when you contact us**

When you contact us and tell us about these changes, we may decide to increase or impose an excess, charge an additional premium or apply a special condition to your policy. In some cases, it could mean we can no longer insure you and we will cancel your policy.

### **When you replace your vehicle**

If you sell your vehicle and buy another during the period of insurance, we will cover the replacement vehicle on the same terms and for the same level of cover as the replaced vehicle as if a reference to 'your vehicle' in this PDS is to your replacement vehicle.

Cover is provided from the date you bought the replacement vehicle until you contact us to insure your replacement vehicle, up to a maximum of 14 days.

Cover for your replacement vehicle is limited to the lower of:

- the amount you paid for the replacement vehicle,
- the agreed value of the vehicle that was replaced, or
- \$300,000.

We do not provide any cover under this policy for a replacement vehicle outside the cover stated in this section 'When you replace your vehicle'.

**Refer to the Motor Insurance Additional Information Guide for further information.**

## SUMMARY OF ADDITIONAL FEATURES, ADDITIONAL COVERS AND OPTIONAL COVERS

This product has been designed to provide 2 levels of cover to choose from, Comprehensive cover or Third party legal liability cover. The cover you have chosen will be shown on your certificate. Below is a table identifying the additional features, additional covers and optional covers available depending on the level of cover you choose. It is a guide only. For full details of what is covered and not covered and for any limits that apply, please read your policy carefully, including the 'General exclusions' on pages 37 to 41.

<b>Summary of additional features</b>	<b>Comprehensive</b>	<b>Third party legal liability</b>	<b>Page</b>
Towing and storage costs	All vehicles	X	20
Defensive driving courses	Motor vehicles & Motorcycles	Motor vehicles & Motorcycles	21
New vehicle after a total loss for vehicles less than 2 years old	Motor vehicles & Motorcycles	X	22
Hire car following theft	Motor vehicles & Motorcycles (Regular use only)	X	23
Hire car after a not at fault incident	Motor vehicles & Motorcycles (Regular use only)	Motor vehicles & Motorcycles	24
After claim expenses	All vehicles	X	25
Riding apparel cover	Motorcycles	X	26
Baby capsules and child seats	Motor vehicles	X	26
Transport cover	Motor vehicles & Motorcycles	Motor vehicles & Motorcycles	27
Learner drivers/riders	Motor vehicles & Motorcycles	Motor vehicles & Motorcycles	28

<b>Summary of additional covers</b>	<b>Comprehensive</b>	<b>Third party legal liability</b>	<b>Page</b>
Emergency expenses following breakdown at a motor enthusiast club rally	Motor vehicles & Motorcycles	X	29
Substitute vehicle	Motor vehicles & Motorcycles	X	30
One excess free windscreen or window glass claim	All vehicles	X	30
Automatic trailer cover	Motor vehicles & Motorcycles	X	31
Damage by uninsured drivers	Motor vehicles & Motorcycles (Automatically included in Comprehensive cover)	Motor vehicles & Motorcycles	31
Third party property damage for caravans and trailers	Motor vehicles & Motorcycles	Motor vehicles & Motorcycles	32
<b>Summary of optional covers</b>	<b>Comprehensive</b>	<b>Third party legal liability</b>	<b>Page</b>
Shannons Roadside Assist	Motor vehicles & Motorcycles	Motor vehicles & Motorcycles	33
Hire car after an event for unlimited days	Motor vehicles & Motorcycles (Regular use only)	X	34
Salvage rights	All vehicles	X	35
Racing cover	Motor vehicles & Motorcycles	X	36

# ABOUT YOUR COVER

## ABOUT YOUR VEHICLE

To be covered under this PDS 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. It includes the following that are fitted to your vehicle:

- options, including standard manufacturer's options;
- accessories; and
- modifications.

A collectable caravan means a caravan at least 35 years of age 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.

### WHAT ARE ACCESSORIES?

An accessory is an addition to your vehicle which does not enhance the performance or change the structure of the vehicle.

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

### WHAT ARE MODIFICATIONS?

Modifications are alterations made to the manufacturer's standard body, engine, suspension, wheels or paintwork of your vehicle which may affect its performance, value, safety or appearance. If we agree to cover them, the modifications will be shown on your certificate.

### WHAT WE DO NOT COVER AS YOUR VEHICLE

- fuel or lubricants;
- baby capsules and child seats (except to the extent they are covered by 'Baby capsules and child seats' see page 26);
- lost vehicle keys.

## LEVELS OF COVER

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

- Comprehensive cover including Third party legal liability cover.
- Third party legal liability cover only.

If you have a collectable caravan or trailer, we offer Comprehensive cover only. The level of cover you have chosen will be shown on your certificate.

## OPTIONAL COVERS

If you choose Comprehensive cover you may also be able to choose an optional cover:

- Shannons Roadside Assist
- Hire car after an event for unlimited days
- Racing cover
- Salvage rights

See pages 33 to 36 for more details.

## VEHICLE USAGE

When you take out your policy you need to choose the type of vehicle usage.

For Comprehensive cover, we will also ask you about the frequency of vehicle use.

The type of vehicle usage and frequency of vehicle use that apply to your policy will be shown on your certificate.

If you do not use your vehicle in accordance with the type of vehicle usage or frequency of vehicle use shown on your certificate you may not be covered in the event of a claim.

## TYPE OF VEHICLE USAGE

The following types of vehicle usage are available:

**Private Use** means your vehicle is used for private purposes including commuting to and from your place of work but does not include ridesharing.

**Business Use** means your vehicle:

- is or should be registered for business use, or
- is used for income earning purposes but does not include ridesharing.

**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.

## FREQUENCY OF VEHICLE USE

**Regular use** means you use your vehicle more frequently than limited use, up to and including being driven every day.

For Comprehensive cover, we insure all vehicles for regular use 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 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 permit, historic registration or rally registration.

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### **X What is not covered**

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We do not provide cover 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 permit, historic registration or rally registration.

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

- located at your address or within a private residence;
- located at a Shannons auction event or a motoring event;
- located at a garage or workshop for repair or other work;
- being loaded or unloaded for transport; or
- being transported.

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### **✓ What is covered**

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- we will also cover parts removed from the vehicle when the vehicle is covered for Laid up and the parts are kept in any of the above locations.
- if you are entitled to cover for an incident under the optional cover Racing Cover, this cover will prevail over the limitations of Laid up.

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### **X What is not covered**

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- We do not provide any cover under this policy if your vehicle is covered for Laid up and is being driven under its own power, except while it is being loaded or unloaded for transport.



## MOTORING EVENTS

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### ✓ What is covered

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We will cover you for accidental loss or damage when driving, riding or participating in motoring events that are limited to:

- parade laps, cruise laps, processions or other on course or racetrack driving events that do not permit activities described in 'What is not covered' below; or
- driving on a closed road where you are required to drive at sign posted speed limits and according to all normal road rules and regulations.

**Note:** The restrictions under Laid up cover still apply if you have selected that vehicle usage.

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### X What is not covered

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We do not provide cover under this policy if you are driving, riding or participating in an event that permits:

- driving at speeds over 110 km/hour; or
- racing, including informal side by side racing; or
- burnouts, power skids, drifting or other intentional loss of traction; or
- high speed cornering or overtaking; or
- non-compliance with sign posted speed limits or other road rules and regulations; or
- racing for position, competing for the lowest elapsed time or lap time or the highest achieved speed or other form of competitive driving;

or that is motor sport (see page 57).

**Refer to the Motor Insurance Additional Information Guide for further information.**

## COMPREHENSIVE COVER

This cover includes:

- accidental loss or damage cover;
- Third party legal liability cover;
- additional features (see pages 20 to 28) and additional covers (see pages 29 to 32 at no extra cost).

You can also choose an optional cover for an extra premium to tailor your insurance (see pages 33 to 36).

## ACCIDENTAL LOSS OR DAMAGE COVER

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### ✓ What is covered

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We will cover you for accidental loss or damage to your vehicle caused by an incident in the period of insurance.

Examples of incidents covered include:

- hail, storm and flood;
- fire;
- theft or attempted theft;
- malicious damage or vandalism;
- collision and impact.

### Limit

The most we will pay is the agreed value for your vehicle as shown on your certificate, unless we say otherwise in your policy.

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### ✗ What is not covered

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See 'General exclusions' on pages 37 to 41, 'What is not covered' in additional features on pages 20 to 28, 'What is not covered' in additional covers on pages 29 to 32 and 'What is not covered' in optional covers on pages 33 to 36.

**Refer to the Motor Insurance Additional Information Guide for further information.**

## 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, Third party legal liability cover is included.

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### What is covered

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- X** We will cover you or anyone you authorise to use your vehicle for legal liability for:
- death or bodily injury to other people; or
  - loss or damage to someone else's property;
- resulting from an incident occurring in the period of insurance caused by the use of your vehicle.

Legal liability extends to cover liability in respect of:

- goods falling accidentally from your vehicle;
- the process of loading or unloading your vehicle;
- your motor vehicle or motorcycle whilst it is towing a trailer, caravan or mechanically disabled motor vehicle.

If we cover your legal liability under this section, we will cover your legal liability for the cost of cleaning up by emergency services after the incident involving your vehicle.

### Limit

The most we pay for all claims from any one incident covered under your policy is \$20 million, including all associated legal costs we have agreed to pay for your claim.

**Note:** If we accept a claim under Third party legal liability cover, you cannot also claim under additional cover 'Third party property damage for caravans and trailers' for the same incident.

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### What is not covered

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- X** liability for death or bodily injury to you or any person who normally lives with you;
- X** 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;
- X** any penalties or fines;
- X** any punitive, aggravated or exemplary damages;
- X** 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;
- X** we do not provide any cover if your vehicle was not in the custody, control or possession of you, or a person you authorised to use your vehicle;
- X** see 'General exclusions' on pages 37 to 41, 'What is not covered' in additional features on pages 20 to 28, 'What is not covered' in additional covers on pages 29 to 32 and 'What is not covered' in optional covers on pages 33 to 36.

**Refer to the Motor Insurance Additional Information Guide for further information.**

## ADDITIONAL FEATURES

When we accept a claim under your policy for an incident that happens in the period of insurance, you may be entitled to cover under the following additional features. The additional features and their limits are paid in addition to the agreed value.

Some features may or may not apply depending on the vehicle insured and the level of cover you have chosen and is shown in the additional feature detail.

In some circumstances, we may decide to make an additional feature available to you before we accept or agree to pay your claim. If we do this, it does not mean that your claim has or will be accepted or that we have otherwise agreed to pay your claim. If we later decide that we cannot accept or pay your claim then the cover available under an additional feature will not apply and we may decide to recover the costs from you.

There are some things we do not cover under these additional features and these are shown in the 'What is not covered' section of the following features on pages 20 to 28 and in the 'General exclusions' on pages 37 to 41. All of the conditions of this policy apply to these additional features unless the cover says otherwise.

## TOWING AND STORAGE COSTS

**Comes with: Comprehensive**

**Applies to: All vehicles**

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### ✓ What is covered

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When your vehicle is damaged in an incident covered by your policy and it is not roadworthy or safe to drive or needs to be held in storage, we cover:

- the cost of one tow to get your vehicle from the scene of the incident to:
  - the nearest repairer; or
  - another location nominated or agreed by us;
- storing your vehicle.

### Limit

One tow from the scene of the incident.

**Note:** If you need to authorise the tow on our behalf, you need to provide us with all invoices and receipts.

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### ✗ What is not covered

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- storage costs for any period before your claim is lodged or after your claim is settled or declined;
- any unauthorised towing once your claim is lodged;
- costs related to your vehicle breaking down. If you have purchased Shannons Roadside Assist for your vehicle, you may be entitled to our roadside assist service. See page 33 for more information.

## DEFENSIVE DRIVING COURSES

**Comes with: Comprehensive & Third party legal liability**

**Applies to: Motor Vehicles & Motorcycles**

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### ✓ **What is covered**

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- if you have Comprehensive cover, we will cover damage to your motor vehicle or motorcycle as a result of an incident 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 incident during the period of insurance that happens when you are using your motor vehicle or motorcycle in a defensive driving course.

**Note:** This additional feature does not apply to vehicles with Laid up cover.

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### ✗ **What is not covered**

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- You are not covered if your motor vehicle or motorcycle is being driven/ridden:
  - in a driver or rider education course that involves speeds in excess of 110km/h or the timing of vehicles, or
  - participating in motor sport (see page 57) or Motoring events (see page 17).

## NEW VEHICLE AFTER A TOTAL LOSS FOR VEHICLES LESS THAN 2 YEARS OLD

Comes with: Comprehensive

Applies to: Motor Vehicles & Motorcycles

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### ✓ What is covered

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If your motor vehicle or motorcycle has been stolen or damaged in an incident in the period of insurance and we have agreed to pay your claim as a total loss, we will replace your motor vehicle or motorcycle, if:

- you are the first registered owner of your motor vehicle or motorcycle or you purchased your motor vehicle or motorcycle as an 'ex demonstration' model from a licensed motor dealer who was the first registered owner of the motor vehicle or motorcycle; and
- the loss or damage to your motor vehicle or motorcycle occurred less than 2 years from the date of original registration of your motor vehicle or motorcycle; and
- anyone who financed your motor vehicle or motorcycle provides us with written consent to us settling your claim in accordance with this additional feature.

We will:

- replace your motor vehicle or motorcycle with a new motor vehicle or motorcycle of the same make, model and series to your motor vehicle or motorcycle provided a new motor vehicle or motorcycle is available within **90** days of us deciding your motor vehicle or motorcycle is a total loss; or
- if one is not available within that time, provide you with a new motor vehicle or motorcycle that is available within the time stated above and which is in our opinion a similar make or model to your motor vehicle or motorcycle; and
- pay for the initial registration, CTP insurance, delivery charges and stamp duty costs for the new motor vehicle or motorcycle.

Your policy will continue until its expiry date.

If your motor vehicle or motorcycle is not replaced because:

- you choose not to accept a replacement motor vehicle or motorcycle; or
- an agreement cannot be reached between us on a replacement motor vehicle or motorcycle; or
- a replacement motor vehicle or motorcycle cannot be supplied within the conditions listed above; we will only pay you the agreed value shown on your certificate of insurance, less applicable deductions (see page 51).

All cover under your policy stops and your policy is cancelled. There is no refund of premium.

**Note: For more information on how we settle total loss claims please see page 57.**

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### ✗ What is not covered

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The cost for replacing or purchasing an extended warranty.

## HIRE CAR FOLLOWING THEFT

**Comes with: Comprehensive (Regular use only)**

**Applies to: Motor Vehicles & Motorcycles**

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### ✓ What is covered

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After theft of your motor vehicle or motorcycle, we will arrange and pay the reasonable hire cost of a car that meets your needs, using our provider (but only if our provider has a car available, and is within a reasonable distance of your location).

If there is no hire car that meets your needs available from one of our providers within a reasonable distance of your location, then we will pay you the lesser of:

- the amount it would have cost us to provide you with a hire car that meets your needs using our provider, had one been available; or
- the actual cost you incur in making alternative travel arrangements.

**Note:** You must not arrange your own hire car unless you obtain our prior written consent. If you do, then we may decide not to pay for the hire car costs.

### **Insurance for your hire car**

If we arrange a hire car for you with our provider, we will cover accidental loss or damage to the hire car under this policy during the covered hire period as if the definition of 'vehicle' in the policy had been extended to include the hire car. However, cover for loss or damage to the hire car is limited to the market value of the hire car.

### **Limit**

Up to 21 days. The benefit stops before the 21 day limit when:

- your motor vehicle or motorcycle is returned undamaged;
- we repair your motor vehicle or motorcycle and return it to you;
- we settle your claim.

**Note:** The benefits under this feature are subject to the 'Hire car conditions' on page 52.

---

### ✗ What is not covered

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We do not provide 'Insurance for your hire car' under this policy if the hire car is not arranged by us.

## HIRE CAR AFTER A NOT AT FAULT INCIDENT

**Comes with: Comprehensive (Regular use only) & Third party legal liability**

**Applies to: Motor Vehicles & Motorcycles**

---

### ✓ What is covered

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After an incident covered by your policy where your motor vehicle or motorcycle is damaged and:

- cannot be safely driven/ridden or is in for repairs; and
- we agree you or the driver/riders of your motor vehicle or motorcycle were not at fault for the incident; and
- you have provided us with the name and address of the person at fault and the registration number of their vehicle;

we will arrange and pay the reasonable hire cost of a car that meets your needs, using our provider (but only if our provider has a car available, and is within a reasonable distance of your location).

If there is no hire car that meets your needs available from one of our providers within a reasonable distance of your location, then we will pay you the lesser of:

- the amount it would have cost us to provide you with a hire car that meets your needs using our provider, had one been available; or
- the actual cost you incur in making alternative travel arrangements.

**Note:** You must not arrange your own hire car unless you obtain our prior written consent. If you do, then we may decide not to pay for the hire car costs.

**Note:** If you have Third party legal liability cover only this additional feature only applies if the damage to your motor vehicle or motorcycle is covered under additional cover 'Damage by uninsured drivers' and we decide to repair the damage.

### Insurance for your hire car

If we arrange a hire car for you with our provider, we will cover accidental loss or damage to the hire car under this policy during the covered hire period as if the definition of 'vehicle' in the policy had been extended to include the hire car. However, cover for loss or damage to the hire car is limited to the market value of the hire car.

### Limit

The benefit stops when:

- we repair your motor vehicle or motorcycle and return it to you; or
- we settle your claim.

**Note:** The benefits under this feature are subject to the 'Hire car conditions' on page 52.

---

### ✗ What is not covered

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- any hire car costs following damage to your motor vehicle or motorcycle if you cannot provide the name and address of the other driver and the registration number of the other vehicle at fault in the incident.
- we do not provide 'Insurance for your hire car' under this policy if the hire car is not arranged by us.



## AFTER CLAIM EXPENSES

**Comes with: Comprehensive**

**Applies to: All Vehicles**

---

### ✓ What is covered

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When your vehicle is stolen or damaged in an incident covered by your policy, we also cover:

- reasonable costs for emergency repairs to make your vehicle roadworthy or safe in order to get your vehicle to your destination (e.g. to a repairer or to your home);
- reasonable emergency accommodation costs if your vehicle is stolen, not roadworthy or safe to drive and you or the driver of your vehicle are more than 100km from your home;
- accidental loss or damage to personal tools and personal property in the vehicle at the time of the incident (e.g. clothing, electronic and telecommunication devices).

### Limit

Up to **\$1,000** in total per incident.

**Note:** You need to provide us with all invoices and receipts.

**Note:** This feature does not apply to vehicles with Laid up cover.

---

### X What is not covered

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- cash, smartcards, phone cards, documents able to be cashed or traded, vouchers, tickets or money orders;
- riding apparel;
- tools of trade;
- items used for business, trade or profession;
- any personal property that is not owned by you or your family;
- costs related to your vehicle breaking down (e.g. mechanical or electrical failure). If you have purchased Shannons Roadside Assist for your vehicle, you will be entitled to our roadside assistance service. See page 33 for more information;

## RIDING APPAREL COVER

**Comes with: Comprehensive**

**Applies to: Motorcycles**

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### ✓ What is covered

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We cover your riding apparel, or that of the rider or pillion, if it is:

- stolen by forcible entry from a secured storage compartment on your motorcycle;
- damaged when your motorcycle is damaged; or
- stolen when your motorcycle is stolen,

in an incident covered by your policy during the period of insurance.

### Limit

We will not pay:

- more than \$3,000 in total for the rider's riding apparel;
- more than \$1,500 in total for the pillion passenger's riding apparel;
- more than \$1,000 in total for any individual item.

**Note:** This feature does not apply to vehicles with Laid up cover.

---

### X What is not covered

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- general clothing and any non-protective clothing;
- wear and tear, or damage associated with normal use;
- riding apparel when it is away from your motorcycle.

## BABY CAPSULES AND CHILD SEATS

**Comes with: Comprehensive**

**Applies to: Motor vehicles**

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### ✓ What is covered

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When your motor vehicle is stolen or damaged in an incident and we have agreed to accept your claim, we cover the cost of replacing the baby capsules and/or child seats stolen or damaged in the incident.

### Limit

Up to a total of \$750 per item.

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### X What is not covered

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Left blank intentionally

## TRANSPORT COVER

**Comes with: Comprehensive & Third party legal liability**

**Applies to: Motor vehicles & Motorcycles**

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### ✓ What is covered

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When your motor vehicle or motorcycle is damaged in an incident covered by your policy, we will cover the transport costs of you or the driver/rider of the motor vehicle or motorcycle:

- from the scene of an incident to your destination if your motor vehicle or motorcycle is not driveable;
- to and from the repairer of your motor vehicle or motorcycle;
- to and from a hire car provider.

If you arrange your own transport, you will need to:

- pay for the transport; and
- give us the tax invoice for reimbursement with your claim.

### Limit

Up to a total of **\$250** per claim.

**Note:** If you have Third party legal liability cover only this additional feature only applies if the damage to your motor vehicle or motorcycle is covered under additional cover 'Damage by uninsured drivers' and we decide to repair the damage.

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### X What is not covered

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Left blank intentionally

## LEARNER DRIVERS/RIDERS

**Comes with: Comprehensive & Third party legal liability**

**Applies to: Motor vehicles & Motorcycles**

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### ✓ What is covered

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#### **For 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 motor vehicles with a restricted driver/rider condition, learner drivers will be covered only if the experienced, fully licensed driver giving instruction is a driver listed on your certificate. See page 7.

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

#### **For Motorcycles**

Persons riding your motorcycle on a learners permit are automatically covered to ride your motorcycle subject to the terms of this policy, unless your motorcycle has a restricted driver/rider condition and the learner rider is not a listed rider on your certificate. See page 7.

Any young driver excess will be based on the age of the learner rider.

**Note:** This additional feature does not apply to vehicles with Laid up cover.

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### X What is not covered

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Left blank intentionally

**Refer to the Motor Insurance Additional Information Guide for further information.**

## ADDITIONAL COVERS

We also provide the cover set out under the following additional covers. A claim under an additional cover can be made independently of a claim for loss or damage to your vehicle. The additional covers and their limits are paid in addition to the agreed value.

The cover provided is shown in the 'What is covered' section of the following covers on pages 29 to 32. There are some things we do not cover and this is shown in the 'What is not covered' section of the following covers on pages 29 to 32 and in the 'General exclusions' on pages 37 to 41.

All of the conditions of this policy apply to these additional covers unless the cover says otherwise.

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

**Comes with: Comprehensive**

**Applies to: Motor Vehicles & Motorcycles**

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#### ✓ What is covered

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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.

If you make a claim under this additional cover no excess applies.

**Note:** If you have purchased Shannons Roadside Assist for your vehicle, you may be entitled to our roadside assistance service. See page 33 for more information.

**Note:** This additional cover does not apply to vehicles with Laid up cover.

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#### ✗ What is not covered

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Left blank intentionally

## SUBSTITUTE VEHICLE

**Comes with: Comprehensive**

**Applies to: Motor Vehicles & Motorcycles**

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### ✓ What is covered

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If your motor vehicle or motorcycle cannot be driven (for example, it is being serviced or repaired), we will cover you for legal liability to pay compensation for loss or damage to another person's vehicle or property (not yours) where the loss or damage is caused by your use of the substitute vehicle in the period of insurance.

#### **Limit**

This cover ends 14 days from the day your motor vehicle or motorcycle was not driveable, or until it is driveable, whichever is earlier.

The most we will pay for all claims arising from any one incident is **\$20 million** including associated legal costs we have agreed to pay.

**Note:** This additional cover does not apply to vehicles with Laid up cover.

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### ✗ What is not covered

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- use of any hire car;
- any claim if you do not have legal use of the substitute vehicle;
- any claim if the substitute vehicle belongs to you;
- loss or damage to the substitute vehicle.

## ONE EXCESS FREE WINDSCREEN OR WINDOW GLASS CLAIM

**Comes with: Comprehensive**

**Applies to: All Vehicles**

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### ✓ What is covered

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When the only damage to your vehicle following an incident in the period of insurance that is covered by your policy is to the windscreen or window glass (including sunroof), we cover the cost to repair or replace your damaged windscreen or window glass (including sunroof) without you having to pay an excess.

#### **Limit**

**One** excess free claim only in the period of insurance.

**Note:** Where the damage is a chipped windscreen that has not cracked, and can be safely repaired, we will cover the cost of one repair without you having to pay an excess or losing your one excess free claim under this cover for the remainder of the period of insurance.

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### ✗ What is not covered

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- replacement of rubber or sealant due to wear and tear or deterioration.

## **AUTOMATIC TRAILER COVER**

**Comes with: Comprehensive**

**Applies to: Motor Vehicles & Motorcycles**

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### **✓ What is covered**

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We cover your trailer, for accidental loss or damage caused by an incident in the period of insurance when:

- it is attached to your motor vehicle or motorcycle; or
- it runs out of control after separating from your motor vehicle or motorcycle while your motor vehicle or motorcycle is moving.

### **Limit**

Up to a total of **\$1,500**.

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### **✗ What is not covered**

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- your trailer if it is insured as a vehicle under this policy;
- vehicles with Laid up cover.

## **DAMAGE BY UNINSURED DRIVERS**

**Comes with: Third party legal liability**

**Applies to: Motor Vehicles & Motorcycles**

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### **✓ What is covered**

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When your motor vehicle or motorcycle is damaged in the period of insurance by a collision with another vehicle driven by an uninsured driver, we cover damage to your motor vehicle or motorcycle but only if:

- we agree the driver/rider, of your motor vehicle or motorcycle was not at fault; and
- you have provided us with the name and address of the uninsured driver and the registration number of the other vehicle;

**and** we have otherwise agreed to pay your claim.

### **Limit**

Cost of repairs up to a total of \$5,000 or the market value of your motor vehicle or motorcycle, whichever is less.

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### **✗ What is not covered**

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Left blank intentionally

## THIRD PARTY PROPERTY DAMAGE FOR CARAVANS AND TRAILERS

**Comes with: Comprehensive & Third party legal liability**

**Applies to: Motor Vehicles & Motorcycles**

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### ✓ What is covered

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When your motor vehicle or motorcycle is towing a caravan or trailer in the period of insurance and loss or damage is caused to another person's vehicle or property as a result of:

- the actions of the caravan or trailer;
- the caravan or trailer running out of control after separating from your motor vehicle or motorcycle while your motor vehicle or motorcycle is moving;
- another vehicle colliding with or trying to avoid colliding with:
  - property falling from the caravan or trailer while it is being towed by your motor vehicle or motorcycle;
  - property being loaded or unloaded from the caravan or trailer attached to your motor vehicle or motorcycle;

then we cover the amount you or the driver of your motor vehicle or motorcycle are legally liable to pay another person to compensate them for loss or damage to their vehicle or property.

### Limit

Up to a total of **\$20 million** including associated legal costs we have agreed to pay.

**Note:** If you claim under this additional cover, you cannot claim under Third party legal liability cover for the same incident.

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### ✗ What is not covered

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- damage to the caravan or trailer being towed
- damage to the actual property that falls or is being loaded or unloaded from the caravan or trailer.

**Refer to the Motor Insurance Additional Information Guide for further information.**



## OPTIONAL COVERS

Some optional covers are automatically included or you have to select them from the options available. Any optional covers you select, and we agree to give you, will be shown on your certificate and extra premium will apply. Under the optional covers there are some things we do not cover and this is shown in the 'What is not covered' section of the following covers on pages 33 to 36 and in the 'General exclusions' on pages 37 to 41, and in the case of Shannons Roadside Assist in the Shannons Roadside Assist Terms and Conditions provided to you if you purchase that option or available at [shannons.com.au](http://shannons.com.au). All of the conditions of this policy apply to these optional covers unless stated otherwise.

In some circumstances, we may decide to make an optional cover available to you before we accept or agree to pay your claim. If we do this, it does not mean that your claim has or will be accepted or that we have otherwise agreed to pay your claim. If we later decide that we cannot accept or pay your claim then the cover available under an optional cover will not apply and we may decide to recover the costs from you.

### SHANNONS ROADSIDE ASSIST

**Available with: Comprehensive and Third party legal liability**

**Applies to: Motor Vehicles & Motorcycles**

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#### ✓ What is covered

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If you have selected this optional cover, there are two levels of cover you can choose from:

- Roadside Assist Enthusiast covers 1 or more nominated motor vehicles or motorcycles insured under this policy; or
- Roadside Assist Ultimate covers up to 8 nominated motor vehicles or motorcycles insured under this policy.

Shannons Roadside Assist is a dedicated emergency roadside assistance service for your motor vehicle or motorcycle. It is provided by a leading emergency assistance provider and is additionally subject to the Shannons Roadside Assist Terms and Conditions. This service offers 24 hour roadside assistance Australia-wide.

Shannons Roadside Assist helps you with:

- changing a flat tyre;
- towing your motor vehicle or motorcycle to your choice of repairer;
- jump starting or charging a flat battery;
- minor breakdown related repairs;
- emergency fuel delivery;
- lost or locked-in keys, by spare key delivery or locksmith attendance.

Conditions and limits apply, including fuel value, towing distance and key assistance limits.

Replacement battery cost is additional. Please read the Shannons Roadside Assist Terms and Conditions for the terms and conditions, including the limitations and exclusions, that apply to this optional cover. The terms and conditions are available at [shannons.com.au](http://shannons.com.au) and are also provided at the purchase of this optional cover. You can use Shannons Roadside Assist without making a claim on this policy.

## **HIRE CAR AFTER AN EVENT FOR UNLIMITED DAYS**

**Available with: Comprehensive (Regular use only)**

**Applies to: Motor Vehicles & Motorcycles**

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### **✓ What is covered**

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#### **For Motor vehicles**

After an incident covered by your policy, if your motor vehicle is damaged and cannot be safely driven, is being repaired or has been stolen, we will arrange and pay the reasonable hire cost of a car that is in our opinion a similar make or model to your motor vehicle (or if a similar make or model is not available we will choose an alternative equivalent car) using our provider (but only if our provider has a car available, and is within a reasonable distance of your location).

If there are no hire cars available from one of our providers within a reasonable distance of your location, then we will pay you the lesser of:

- the amount it would have cost us to provide you with a car that is in our opinion a similar make or model to your motor vehicle using our provider, had one been available; or
- the actual cost you incur in making alternative travel arrangements.

#### **For Motorcycles**

After an incident covered by your policy, if your motorcycle is damaged and cannot be safely ridden, is being repaired or has been stolen, we will arrange and pay the reasonable hire cost of a car that meets your needs) using our provider (but only if our provider has a car available, and is within a reasonable distance of your location).

If there is no hire car that meets your needs available from one of our providers within a reasonable distance of your location, then we will pay you the lesser of:

- the amount it would have cost us to provide you with a hire car that meets your needs using our provider, had one been available; or
- the actual cost you incur in making alternative travel arrangements.

#### **Insurance for your hire car**

If we arrange a hire car for you with our provider, we will cover accidental loss or damage to the hire car under this policy during the covered hire period as if the definition of 'vehicle' in the policy had been extended to include the hire car. However, cover for loss or damage to the hire car is limited to the market value of the hire car.

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### **Limit**

The most we will pay is \$90 per day. The cover stops the day:

- your motor vehicle or motorcycle is returned undamaged; or
- we repair your motor vehicle or motorcycle and return it to you; or
- we settle your claim.

### **Note:**

- this optional cover is subject to the 'Hire car conditions' on page 52.
- 

### **X What is not covered**

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We do not provide 'Insurance for your hire car' under this policy if the hire car is not arranged by us.

## **SALVAGE RIGHTS**

**Available with: Comprehensive**

**Applies to: All Vehicles**

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### **✓ What is covered**

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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.

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### **X 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.

## **RACING COVER**

**Available with: Comprehensive**

**Applies to: Motor Vehicles & Motorcycles**

This optional cover is:

- not available for new purchase after 15 May 2020;
- automatically included in policies for motor vehicles or motorcycles manufactured prior to 1961.

---

### **✓ What is covered**

If the year of manufacture of your motor vehicle or motorcycle is prior to 1961, or this option is 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 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.

### **Limit**

The most we will pay is the lesser of:

- the agreed value of your motor vehicle or motorcycle;
- \$30,000; or
- the cost to repair or replace your motor vehicle or motorcycle.

---

### **✗ What is not covered**

This policy does not provide any cover in respect of legal liability arising from or connected with the use of your motor vehicle or motorcycle 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.

**Refer to the Motor Insurance Additional Information Guide for further information.**

## GENERAL EXCLUSIONS

**You are not covered under any section of this policy for damage, loss, cost or legal liability that is caused by or arises from or involves:**

### **Agreements you enter into**

any agreement or contract you, or someone you authorised to drive or be in charge of your vehicle, enter into accepting liability, **but we will** provide cover if the legal liability would have existed without that agreement.

### **Alcohol or drugs**

an incident occurring when your vehicle is being driven by, or is in the charge of, anyone who:

- was under the influence of, or had their judgement affected by, any alcohol, drug or medication;
- had more than the legal limit for alcohol or drugs in their breath, blood, saliva or urine as shown by analysis;
- refused to take a test for alcohol, drugs or medication.

**But we will** pay a claim for you (**but not** the driver or person in charge of your vehicle) if your vehicle was stolen.

### **Asbestos**

asbestos, asbestos fibres or derivatives of asbestos of any kind.

### **Biological, chemical, other pollutant or contaminant**

- any actual or threatened biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; **or**
- any looting or rioting following the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant; **or**
- any action taken by a public authority to prevent, limit or remedy the actual or threatened release of any biological, bacterial, viral, germ, chemical or poisonous substance, pollutant or contaminant.

### **Collectable caravan**

the use of your collectable caravan as a place of residence.

### **Confiscation or repossession**

legal confiscation or repossession of your vehicle or its contents.

### **Condition of vehicle**

- any structural, mechanical, electrical or electronic failure or breakdown (**except** in the case of the specific roadside assist benefits provided under our Shannons Roadside Assist optional cover);
- any mould, mildew, wear, tear, rust, corrosion or depreciation;
- your vehicle if it was damaged, unsafe or un-roadworthy at the time of the incident unless you tell us about the condition of your vehicle and we agree to insure it.

### **Consequential losses or extra costs following an incident covered by your policy**

consequential losses (financial and non-financial loss) or extra costs following an incident covered by your policy, such as:

- loss of income or wages;
- medical expenses;
- the cost of your time (e.g. inconvenience);
- professional, expert, legal consulting, report or valuation costs **unless** you obtained our prior written authority to incur these costs;
- any costs related to stress or anxiety;
- your vehicle's value (including its trade-in or resale value) is less after being repaired;
- costs, including the cost of your time, to prove your loss or to help us with your claim (e.g. telephone calls, postage);
- travel costs, **but we will** cover travel costs covered under 'Transport cover' additional feature (see page 27);
- cleaning costs, **but we will** cover cleaning costs included in Third party legal liability cover (see page 19); or
- any costs not covered by your policy.

### **Dangerous goods**

your vehicle being used to illegally store or transport:

- substances that pollute or contaminate;
- dangerous or hazardous goods.

### **Deliberate acts**

acts caused intentionally or deliberately by:

- you or a member of your family;
- a person who owns any part of your vehicle;
- a person acting with your consent;
- a person authorised by you to operate your vehicle.

### **Driving/Riding a damaged motor vehicle/motorcycle**

Driving/riding your motor vehicle/motorcycle after it has been damaged in an incident, unless we are satisfied you were not reasonably aware your motor vehicle/motorcycle was unsafe or could lead to further damage to your motor vehicle/motorcycle.

### **Exceeding loading or passenger limits**

your vehicle when it is:

- carrying more passengers than the vehicle was designed for, or than the driver is permitted to carry by law;
- carrying any load which is not secured according to law, over the legal limit or more than what your vehicle was designed to carry.

### **Failure to take reasonable precautions**

your failure to take reasonable precautions to prevent loss, damage or legal liability.

### **Hire, fare, reward or courtesy car**

your vehicle being used for hire, fare or monetary reward, including ridesharing, or as a courtesy car but we will provide cover if:

- your vehicle is being used in a carpool or child care arrangement; or
- your type of vehicle usage is wedding hire use and this usage is shown on your certificate.

### **Intentional loss or damage**

intentional loss or damage caused by you, or a person acting with your express or implied consent.

### **Loss or damage outside Australia**

loss or damage that occurs outside Australia.

### **Motor sports or similar activities on racetracks or closed roads**

Your vehicle being driven or used in any form of motor sport or similar activities (see page 57) or while being used in preparation, practice or familiarisation for motor sport or similar activities **unless** your vehicle was manufactured prior to 1961 or the racing cover option is shown on your certificate 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 page 36.

### **Personal property**

any personal property that is not owned by you or your family, but we will cover the rider's and the pillion's riding apparel to the extent it is covered under 'Riding apparel cover' (see page 26 for details).

### **Radioactivity/nuclear materials**

- radioactivity or the use, existence or escape of nuclear fuel, nuclear material or waste; or
- action of nuclear fission including detonation of any nuclear device or nuclear weapon; or
- any action taken by a public authority to prevent, limit or remedy the actual or threatened release of any radioactive or nuclear materials; or
- any looting or rioting following these incidents.

### **Reckless acts**

any intentional or reckless act by you, the driver of the vehicle or by a person acting with your express or implied consent (such as street racing, burnouts, donuts, driving into water, illegally using a mobile telephone, driving at excessive speed).

### **Replacement of non-damaged parts**

the replacement of non-damaged parts which includes items that are part of a whole set when the loss or damage occurred to only part of that set (such as alloy wheels and tyres).

### **Revolution, war**

- revolution, hostilities, war or other acts of foreign enemy, war like activity (whether war is declared or not), military coup; **or**
- any looting or rioting following these incidents.

### **Sale**

- loss (including theft) of your vehicle (or the proceeds of sale) by a person authorised to offer your vehicle for sale;
- loss (including theft) of your vehicle (or the proceeds of sale) following a private sale transaction;
- loss of your vehicle (or the proceeds of sale) as a result of the bankruptcy or insolvency of a person authorised to offer your vehicle for sale.

### **Test drives**

- loss or damage to your motor vehicle while it is being demonstrated for private sale **but we will** pay a claim if your motor vehicle is being demonstrated for private sale and you or a listed driver are a passenger in your motor vehicle.

### **Tyres**

damage to your vehicle's tyres caused by braking, punctures, road cuts or bursting.

### **Unattended vehicle**

theft of your vehicle if the vehicle is left unattended, unlocked and with the keys left in the vehicle.

### **Unlawful purposes**

your vehicle being used for unlawful purposes.



### **Unlicensed driving/riding**

your vehicle being driven/ridden by, or is in the charge of someone who is not licensed, not correctly licensed or not complying with the conditions of their licence **but we will** pay a claim for you (but not the driver/rider or person in charge of your vehicle) if you:

- were not the driver/rider or person in charge of your vehicle at the time of the incident; and
- can satisfy us that you did not know and could not have reasonably known of any of the above circumstances.

### **Unregistered**

your vehicle being driven/ridden or any caravan or trailer attached to your vehicle being used, while unregistered, or contrary to its registration, or while it should have been registered according to law.

### **Vehicle usage**

your vehicle being used other than in accordance with the vehicle use shown on your certificate.

## MAKING A CLAIM

We understand being involved in an incident or having your vehicle stolen can be a stressful experience.

### WHAT YOU MUST DO

<b>Step 1</b>	<b>Make sure everyone is safe. For emergencies call 000.</b>
<b>Step 2</b>	<b>Contact us as soon as possible on 13 46 46.</b> Make sure you have the details of the incident at hand to assist us with lodging your claim. If towing is required, we will help arrange the towing of your vehicle to one of our preferred repairers or another facility of our choice. If you do not require towing, visit <a href="http://shannons.com.au">shannons.com.au</a> for online claims lodgement options. Please see page 20 for details on what we pay for towing costs.
<b>Step 3</b>	<b>Try to prevent further loss or damage.</b> You must do everything you reasonably can to limit and prevent further loss or damage (e.g. move your vehicle off the road and put on your hazard lights). We may provide cover for emergency repairs up to \$1,000 (see 'After claim expenses' on page 25 for details).
<b>Step 4</b>	<b>Report the incident to the authorities.</b> If someone is injured or has stolen, attempted to steal or maliciously damaged your vehicle, call the police immediately and record the time, date, report number and the name of the recording officer.
<b>Step 5</b>	<b>Collect details of all drivers, passengers and witnesses.</b> You will need these when you call us. Make sure you have their full names, addresses and contact numbers. If another vehicle is involved, record its registration number and the driver's insurance details. Do not admit fault to anyone.

### If you have caused damage to other people's property

Tell us about any incident that has caused damage to other people's property. You also must immediately tell us about any demands made on you to pay compensation to others, any court actions or offers of settlement and send these to us. If you do not tell us about these and it results in further costs, you may have to pay those costs.

### **To process the claim, you must:**

- talk to or meet with any experts we choose, such as a claims assessor, investigator or repairer;
- assist us in handling your claim. This means give us all the information and assistance with your claim that we may reasonably require. This can include you and/or the driver agreeing to be interviewed and/or providing relevant documents we ask for (e.g. proof of loss or damage and proof of ownership);
- make your vehicle available for inspection by us or our representative;
- either drive (if it is safe to do so) or let us move your vehicle to one of our repair facilities, or another location nominated or agreed to by us, so we can assess the damage and progress your claim;
- for rectification work, take your vehicle back to the original repairer to rectify the repairs;
- allow us to recover, salvage or take possession of your vehicle;
- attend court to give evidence if we ask you to.

**Note:** In this 'Making a claim' section 'you' means you and, if you were not driving/riding your vehicle, the driver/rider of your vehicle.

### **How the Goods and Services Tax (GST) affects this insurance**

You must tell us about the input tax credit (ITC) you are entitled to for your premium and your claim, each time you make a claim. If you do not give us this information or if you tell us an incorrect ITC, we will not pay any GST liability you incur.

If your car is a total loss we will reduce any payment we make by an amount equal to your input tax credit entitlement, if any.

In all other circumstances our liability to you will be calculated taking into account any ITC to which you are entitled for any acquisition which is relevant to your claim, or to which you would have been entitled had you made a relevant acquisition.

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

Where you are not entitled to an ITC on your policy premium, all limits and amounts covered are GST inclusive (unless your policy states otherwise). Where you are entitled to an ITC on your policy premium, all limits and amounts covered are exclusive of GST to the extent of your input tax credit entitlement.

In respect of your policy, where you are registered for GST purposes you should calculate the insured amount having regard to your entitlement to input tax credits. You should, therefore, consider the net amount (after all input tax credits) which is to be insured and determine an insured amount on a GST exclusive basis.

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 circumstances.

'GST', 'input tax credit', 'acquisition' and 'supply' have the meaning given in A New Tax System (Goods and Services Tax) Act 1999.

## **WHAT YOU MUST NOT DO**

- do not admit liability or responsibility to anyone to pay for any damage unless we agree;
- do not negotiate or promise payment;
- do not authorise any repairs, except for emergency repairs described in 'After claim expenses' on page 25;
- do not get rid of any damaged parts of your vehicle or your property, including riding apparel without our consent;
- do not accept payment from someone who admits fault for loss or damage to your vehicle. Refer them to us.

## **IF YOU DO NOT COMPLY**

If you do not comply with 'What you must do' and 'What you must not do' we can reduce or refuse your claim and/or recover costs and/or any monies we have paid from you and/or cancel your policy.

## **IF WE DECLINE A CLAIM**

When you contact us to make a claim we will assess your claim. We will allow you to lodge your claim but we may need to undertake further investigation and assessment before making a decision. If we decide to decline your claim we will give you our reasons in writing. If you wish to dispute our decision, see page 59 for more information.

## **HOW TO ESTABLISH YOUR LOSS**

### **You must establish an incident took place**

When making a claim you must be able to prove that an incident insured by your policy actually took place. If you do not do this, we will not be able to pay your claim.

We may obtain the following from the police:

- confirmation that you reported the incident;
- details of any investigations they undertook.

You must give us authority to access these records, if we ask.

### **Describe your loss or damage**

You must also give us accurate and full details of the loss or damage and give us proof of value and ownership, if we ask.

The types of documents we ask for depends on the situation and can include tax invoices for items bought or services used, hire car agreements, credit card or bank statements, photos, registration papers, sales receipts, service records, valuations, warranties or log books for your vehicle. If you are unable to reasonably substantiate your claim, we can reduce or refuse your claim.

## EXCESSES

### What is an excess?

An excess is the amount you have to pay for each incident when you make a claim. For example, if the rear and front of your vehicle have been damaged in two separate incidents, then you have to make **2** claims and pay the excesses that apply for each claim.

The total excess you are required to pay is determined by the circumstances of your claim. You might have to pay more than one type of excess when you claim.

The amount and types of excesses are shown on your certificate of insurance.

The different types of excesses are:

<b>Basic excess</b>	A basic excess applies to all claims unless stated otherwise in the PDS
<b>Flexible excess</b>	If you have Comprehensive cover and your frequency of motor vehicle use is regular use, you can choose a flexible excess from the range we offer to reduce your premium. This excess applies to all claims in addition to your basic excess.
<b>Theft excess</b>	The theft excess applies if the loss or damage is caused by theft or attempted theft. The amount of the theft excess applies in addition to the basic excess and any flexible excess that applies.
<b>Young driver excess</b>	The young driver excess will be applied in addition to the basic excess and any flexible excess that applies, and you will be required to pay this 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. <b>NOTE:</b> Young driver excess will not apply if the vehicle is 35 years or older.
<b>Racing excess</b>	The racing excess will be applied to all claims made under the optional racing cover (when this option is shown on your certificate). The amount of the racing excess applies in addition to your basic excess and any flexible excess that applies.

**NOTE:** For learner drivers, any young driver excess will be based on the age of the experienced, fully licensed driver. See Additional feature 'Learner drivers/riders' on page 28.

**Refer to the Motor Insurance Additional Information Guide for further information.**

## WHEN AN EXCESS APPLIES

We will advise you which excesses apply to the claim based on the circumstances of the incident. The fact we have asked for payment of your excess does not of itself mean that your claim has or will be accepted by us either in whole or in part. Any excess you pay will be refunded if we decide to waive your excess (see 'When we will waive your excess' page 46).

## WHEN AND HOW TO PAY YOUR EXCESS

We will usually ask for your excess when you first lodge your claim. If we do not require this, we will decide if we will:

- ask you to pay us the excess before we settle your claim; **or**
- ask you to pay your excess to the repairer or supplier; **or**
- deduct the excess from the amount we pay you; **or**
- deduct the excess from the amount we pay to another person for loss or damage to their property.

We will not cover any legal or other costs that arise because of any delay in paying the excess.

## WHEN WE WILL WAIVE YOUR EXCESS

We will waive your excess if:

- we decide you or the driver of your vehicle are not at fault; **and**
- you can provide the name **and** address of the person at fault **and** the registration number of the vehicle involved.

## HOW WE SETTLE YOUR CLAIM

### **We choose how your claim is settled**

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

- repair the damage;
- replace the damaged parts of your vehicle;
- pay you what it would cost us to repair or replace the damaged parts of your vehicle;
- settle your claim as a total loss, see page 51 for how we settle your claim as a total loss; or
- pay you up to the maximum you are entitled to under the applicable additional feature, additional cover or optional cover.

### **For additional features, additional covers and optional covers**

If we agree to pay a claim under an additional feature, additional cover or optional cover, we will settle your claim in accordance with that additional feature, additional cover or optional cover.

### **For a windscreen claim**

If we agree to pay a claim for damaged windscreen or window glass, we will either:

- choose to repair the damaged area; or
- choose to replace the damaged windscreen or window glass.

### **For Third party legal liability claims**

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 inquiry 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.

**Refer to the Motor Insurance Additional Information Guide for further information.**

## IF YOUR VEHICLE IS DAMAGED

### **Choice of repairer**

You can choose:

- to allow us to arrange the repair of your vehicle; or
- your own repairer.

### **If your vehicle is not safe to drive**

- we will arrange to move your vehicle to one of our preferred repairers or another facility of our choice, or
- we will arrange to move your vehicle to a repairer or another facility of your choice.

### **If your vehicle is safe to drive**

- we will arrange a time with you to bring your vehicle into one of our preferred repairers or another facility of our choice; or
- you can arrange to take your vehicle to your own preferred repairers.

### **If you allow us to arrange the repairs**

- we obtain quotes from our preferred repairers (where available) and select the most appropriate quote;
- we authorise the repairs based on the most appropriate quote and manage the repair process with the repairer;
- you will be kept informed of the progress of the repairs and we will advise you when your vehicle is ready for collection.

### **If you choose your own repairer, which may include one of our own preferred repairers:**

- after you obtain a quote from your repairer, we may require a second quote and we will arrange a time with you to drive your vehicle (if it is safe to do so), or you must let us move it, to one of our preferred repairers or another facility of our choice;
- we will authorise the repairs if we agree your repairer's quote is reasonable and will result in your vehicle being repaired safely and in a cost effective manner.

### **If we don't authorise repairs**

If we don't authorise repairs, we will pay you what it would have cost us to repair your vehicle and you will not be entitled to the lifetime guarantee. The amount it would have cost us to repair is determined by a quote from a repairer we choose.



### Lifetime guarantee on authorised repairs

The quality of the workmanship and the materials authorised by Shannons in the repair of your vehicle will be guaranteed for its life, as long as you own it. The parts used in the repair of your vehicle will be of the same type as those explained on pages 49 and 50.

If you are concerned about the quality of the repair of your vehicle, you must call us on 13 46 46 and you must make your vehicle available to us. You must not authorise rectification work without our written authority. We will inspect the repair and arrange any necessary rectification work.

### WHEN WE AUTHORISE REPAIRS TO YOUR VEHICLE WE WILL (INCLUDING PARTS POLICY):

- ensure the repair work is properly carried out;
- use new parts or quality reusable parts;

#### We will:

- **when your vehicle is within the standard manufacturer's new vehicle warranty period (excluding any extended warranties)**, use new original equipment manufacturer (OEM) parts when we authorise repairs to your vehicle.
- **when your vehicle is outside the standard manufacturer's new vehicle warranty period**, use new and/or quality reusable parts when we authorise repairs to your vehicle.

Parts used will:

- not void the warranty provided by the vehicle manufacturer;
- comply with the vehicle manufacturer's specifications and applicable Australian Design Rules;
- be consistent with the age and condition of the vehicle;
- preserve or improve the safety and structural integrity of the vehicle;

However, the following conditions also apply:

### Glass repairs

Where available we will use aftermarket parts for windscreens and window glass (including sun roof) and repairs will meet Australian Design Rules.

### Radiators and Air Conditioning

Where available we will use aftermarket parts for radiators and air conditioning.

### **Unavailable parts**

We are not responsible for costs which occur because of delays in delivery of parts. If a part is unavailable in Australia we will pay the cost of surface freight (not airfreight) from the nearest reasonable source of supply.

### **Obsolete items and parts**

In all cases we will only pay the market value of damaged parts we consider to be obsolete.

### **Secure compliance labels/plates**

Where your vehicle is fitted with secure compliance (or vehicle security) labels/plates and these components are damaged, we will try to source replacement labels/plates from the manufacturer. If we cannot source these for you, we will obtain a letter of confirmation from the manufacturer of the vehicle that it is compliant and that the labels/plates were damaged. We will still repair your vehicle without replacing the secure compliance labels/plates.

### **Sub-contracting repairs**

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

### **Non-damaged parts**

We are not responsible for the costs to replace the parts of a whole set that were not damaged or stolen in an incident. For example, if only one wheel and tyre are damaged in an incident, we will only pay to replace the damaged wheel and tyre, not the whole set.

### **When we repair your vehicle we will not:**

- pay extra to repair your vehicle to a better standard, specification or quality existing before the loss or damage;
- fix a fault or defect in your vehicle that existed before the loss or damage occurred unless the fault or defect was from repairs we authorised;
- pay for repairing pre-existing damage. If we agree, you can pay the extra cost of repairing this damage.

### **CONTRIBUTION TO REPAIRS**

You might have to contribute to the cost of repairing tyres, engines, accessories, modifications, paintwork, bodywork, radiators, batteries or interior trims affected by neglect, wear and tear, weathering, rust, mould, mildew or corrosion. We will determine how much you pay depending on how worn these items were when the damage happened.

If you do not agree to pay these amounts, we will pay you the amount determined to be the cost of repairs less any contribution charges.

## IF YOUR VEHICLE HAS BEEN STOLEN

If your vehicle is found within 14 days of it being stolen and is damaged, follow the process of 'If your vehicle is damaged' (see page 48). You may be entitled to a hire car for up to 21 days under the additional feature 'Hire car following theft' (see page 23).

If your vehicle is not found within 14 days after being stolen, and we agree to accept your claim for theft of your vehicle, your vehicle becomes a total loss (see below).

## IF YOUR VEHICLE IS A TOTAL LOSS

Your vehicle becomes a total loss if:

- it is stolen and unrecovered after **14** days and we agree to accept your claim for theft of your vehicle; **or**
- we decide it is uneconomical, impractical or unsafe to repair, including where the combined repair costs and salvage value are likely to be more than the agreed value.

We will also have regard to the law when determining when a vehicle is to be written off.

For vehicles where the 'New vehicle after a total loss for vehicles less than 2 years old' additional feature applies, see page 22.

For all other vehicles we will pay you the agreed value shown on your certificate of insurance less any deductions that apply.

### **Deductions from your total loss claim**

When we pay you for a total loss claim we will deduct:

- any applicable excess;
- any unpaid premium including any unpaid instalments for the period of insurance;
- any unused registration and compulsory third party (CTP) insurance (unless we decide to collect this from the relevant authority or insurer);
- any input tax credit entitlement (if applicable), refer to page 43;
- our estimate of the salvage value (if applicable) where you choose to purchase the salvage;
- any excesses arising from a claim for damage to the hire car (see 'Hire car conditions' on page 52).

Where the deductions are applicable we will either require you to pay these amounts in full before we provide a new vehicle or deduct them from the amount we pay you.

### **Vehicles under finance**

When we pay you for a total loss claim, if a credit provider has a financial interest in your vehicle then we will pay them what they are entitled to (up to your agreed value) and pay you any balance.

## SALVAGE

### **We own the vehicle salvage**

When we replace your vehicle or pay you for the total loss, your vehicle salvage becomes our property unless the optional cover 'Salvage rights' applies (see page 35).

If another party is entitled to the salvage of your vehicle because that party has financed your vehicle whether at your request or not and is owed money on your vehicle at the time we declare your vehicle a total loss, we will deduct our estimate of the salvage value from what we pay you, or require you to pay us our estimate of the salvage value in full before we settle your claim under 'New vehicle after a total loss for vehicles less than 2 years old'.

### **We give you the option to purchase your unrepaired vehicle.**

If you choose to purchase your unrepaired vehicle, we will determine the salvage value of the unrepaired vehicle, and deduct this amount from your settlement amount, or you must pay the salvage value to us before we release the unrepaired vehicle to you. Salvage purchase will not apply if your vehicle is stolen and we settle your claim as a total loss.

## HIRE CAR CONDITIONS

Where you are making a claim under any hire car benefit in your policy you:

- may be required to enter into a hire agreement with the hire car provider;
- are required to collect the hire car from and return it to the place nominated by us or the hire car provider;
- are responsible for all running costs and extras of the hire car, including paying the deposit, security bond, fuel and any upgrade costs;
- agree and authorise us to lodge a claim on your policy in the event that the hire car is lost or damaged whilst on hire to you and we insure you pursuant to the cover provided in the additional features 'Hire car following theft', 'Hire car after a not at fault incident' or the optional cover 'Hire car after an event for unlimited days';
- are responsible for arranging and paying all hire car costs for any period you continue to use the hire car beyond the covered hire period; and
- are required to refund to us any costs (including any insurance costs) we incur for the hire car, if you withdraw your claim or we refuse to accept it.

## AFTER WE PAY YOUR CLAIM

### **Does your claim affect your cover?**

If we choose to repair your vehicle or pay you the cost of repairs, your policy continues for the period of insurance.

If your vehicle is a total loss and you are not entitled to a new replacement car (see 'New vehicle after a total loss for vehicles less than 2 years old' additional feature on page 22), all cover under your policy stops and your policy is cancelled. There is no refund of the premium.

If your vehicle is damaged and we settle your claim by paying you the cost of repairs, we can reduce your agreed value to reflect the lower value of your vehicle in its damaged condition.

### **Our right to recover claims we pay from those responsible**

If you have suffered loss or damage covered, or partially covered by this policy, then we have the right and you permit us to take action or institute legal proceedings against any person or entity liable to you for the recovery of your insured, underinsured or uninsured losses, payments made and expenses ('your loss'). Any action or legal proceeding will be commenced either in your name, or in the name of any other person or entity that suffered your loss.

If you have commenced action or instituted legal proceedings against any person or entity liable to you for your loss, we have the right and you permit us to take over and continue that action or legal proceeding. Where recovery of your loss forms part of any representative proceeding which has not been instituted under our instructions, we have the right and you permit us to exclude your loss from that representative proceeding for the purpose of including your loss in a separate representative proceeding which is or will be instituted under our instructions.

You must provide us with all information and reasonable assistance in the recovery of your loss, including providing us with any documents that prove your loss.

You must not enter into any agreement, make any admissions or take any action or step that has the effect of limiting or excluding your rights and our rights to recover your loss, without our prior written agreement.

## OTHER IMPORTANT INFORMATION

### WHAT HAPPENS WITH CANCELLATIONS

#### **CANCELLATION BY YOU**

You may cancel this policy at any time. If you cancel this policy, you will be refunded the unexpired portion of the premium including GST if the refund is more than \$10.

If you pay by instalments, on cancellation you agree to pay us any portion of the premium that is owing but not yet paid and that amount is immediately due and payable.

#### **CANCELLATION BY US**

We can only cancel your policy where the law allows us to do so. We will refund any money we owe you if the refund is more than \$10. If we cancel your policy due to fraud, we will not refund any money to you.

For more information about cancellation see 'Paying your premium' on page 9.

### COOLING OFF AND TRANSFERRING COVER

If you exercise your cooling off rights (see page 5) we will provide a full refund of premium paid.

If you transfer cover from one vehicle to another vehicle with us the unexpired portion of the premium for the existing vehicle will be applied to the cover for the new vehicle. We will tell you if any additional premium is required. See page 11 'When you replace your vehicle'.

### GENERAL INSURANCE CODE OF PRACTICE

We support and subscribe to the General Insurance Code of Practice. You can get a copy of the code from the Insurance Council of Australia website ([insurancecouncil.com.au](http://insurancecouncil.com.au)) or by phoning (02) 9253 5100.

### MOTOR CAR INSURANCE AND REPAIR INDUSTRY CODE OF CONDUCT

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

We are a signatory to and support the Code.

## 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.

### **Accessories**

see page 14

### **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.

### **Certificate**

means the latest certificate, including the insurance account, we have given you. It is an important document as it shows the covers you have chosen and other policy details such as the premium that applies.

### **Collectable caravan**

see page 14

### **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.

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

### **Driver**

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

### **Excess**

see page 45

## **Family**

means any of the following people if they normally live with you:

- spouse, partner or de facto;
- parents, parents-in-law, grandparents;
- children, grandchildren, brothers and sisters, including their respective spouses, partner or de-facto;
- the children, parents, parents-in-law, grandparents, grandchildren, brothers and sisters of a spouse, partner or de-facto; and
- people who provide care or services to you.

## **Incident or event**

is a single occurrence which you did not intend or expect to happen.

## **Laid up**

see page 16

## **Limit**

the most you can claim for any one incident. It includes or excludes GST depending on your Input Tax Credit entitlement (refer to section 'How the Goods and Services Tax (GST) affects this insurance' for further detail).

## **Listed driver/rider**

the person or people shown on your certificate as listed drivers.

## **Loss or damage**

means the physical loss or physical damage.

## **Market value**

means the amount we calculate the market would pay for the vehicle. It takes into account the age, make, model, kilometres travelled and condition of the vehicle immediately before the incident. We might use recognised industry publications to calculate the amount. Market value excludes costs of registration, compulsory third party insurance, stamp duty and transfer fees, dealer warranty costs or dealer delivery.

## **Modifications**

see page 14

## **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 Insurance Additional Information Guide**

see page 4



## **Motor sport or similar activities**

includes events or activities conducted on a closed road or racetrack or outside of public roads which permit any of the following:

- driving at speeds over 110 km/hour; or
- racing, including informal side by side racing; or
- burnouts, power skids, drifting or other intentional loss of traction; or
- high speed cornering or overtaking; or
- non-compliance with posted speed limits or other road rules and regulations; or
- racing for position, competing for the lowest elapsed time or lap time or the highest achieved speed or other form of competitive driving.

Motor sport or similar activities also 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, parade laps or cruise events with no speed limitation or pace vehicle, rallying, karting, demonstration, pacemaking, hill climbing, drifting, drag racing, speedway racing, reliability or regularity trial, speed time test, motorkhana, khanacross, observed section trials, power cruises and off road events such as rock crawling or mud racing.
- preparation, practice or familiarisation for any of these activities.

## **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 14.

## **Motorcycle**

see page 14.

## **Motoring events**

see page 17.

## **Period of insurance**

means when your policy starts to when it ends. It is shown on your certificate.

## **Policy**

means your insurance contract. It consists of this PDS and any SPDS we have given you and your latest certificate.

## **Premium**

see page 9.

## **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 vehicle is used for driving pleasure, vehicle shows and club events.

## **Rideshare**

means when you participate in an arrangement in which passengers travel in your vehicle for a fee. The arrangement can be made via a website, app or other means.

## **Riding apparel**

means any items of riding apparel or protective clothing worn specifically for motorcycle riding. Includes helmets (including visor and/or radio communications), gloves, riding jackets, pants and boots, and any other motorcycle specific gear such as body armour and knee guards.

## **Salvage value**

means the value we assign to your unrepaired vehicle, includes unexpired registration and compulsory third party insurance.

## **Shannons**

means Shannons Pty Limited ABN 91 099 692 636.

## **Tools of trade**

means your tools of trade including materials or equipment that you use in your current business, trade or profession.

## **Total loss**

see page 51.

## **Uninsured driver**

a driver is an uninsured driver if neither the driver nor the vehicle owner has motor insurance or they have insurance but it does not cover damage to your car at the time of the incident.

## **Vehicle**

see page 14.

## **Vehicle usage**

see page 15.

## **We, us, our and Shannons**

means Shannons on behalf of AAI Limited ABN 48 005 297 807 AFSL No. 230859.

## **You, your**

the person or people shown as the insured on your certificate.

## HOW WE RESOLVE YOUR COMPLAINTS

If you are not satisfied with our products or services or a decision made in relation to your insurance, please let us know so that we can help. It is important to follow the complaint handling process in order to resolve your complaint effectively and efficiently.

### Step 1. Let us know

If you would like to make a complaint, please let us know by contacting the relevant department as they may be able to resolve the complaint for you. If not, the staff member will refer you to a Manager or their delegate and they will attempt to resolve the complaint. A response is usually provided to you within **5** business days. You can contact us:

By phone: **13 46 46**

By email: **enquiries@shannons.com.au**

In writing: **Write to your local Shannons branch (addresses on Shannons website)**

### Step 2. Review by our Customer Relations Team

If you are not satisfied with the outcome of the business review you can request the complaint be referred to the Customer Relations Team for review or you can contact them directly:

By phone: **1300 240 664**

By email: **idr@shannons.com.au**

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

If we require additional information we will contact you to discuss. Customer Relations will usually contact you with a decision within **15** business days of receiving your complaint.

### Step 3. Seek review by an external service

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 Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Any decision AFCA 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.

AFCA has authority to hear certain complaints. Contact AFCA to confirm if they can assist you. You can contact AFCA:

By phone: **1800 931 678**

By email: **info@afca.org.au**

In writing: **Australian Financial Complaints Authority Limited,  
GPO Box 3, Melbourne, VIC 3001**

By visiting: **www.afca.org.au**

# HOW TO CONTACT SHANNONS

**By telephone:** 13 46 46

**On the web:** [shannons.com.au](http://shannons.com.au)

**In writing:** 40 Corporate Drive, Heatherton, VIC, 3202

## SHANNONS BRANCHES

- AUSTRALIAN CAPITAL TERRITORY
- NEW SOUTH WALES
- NORTHERN TERRITORY
- QUEENSLAND
- SOUTH AUSTRALIA
- TASMANIA
- VICTORIA
- WESTERN AUSTRALIA

For branch locations and operating hours visit [shannons.com.au](http://shannons.com.au)



### SHARE THE PASSION

This insurance is issued by AAI Limited ABN 48 005 297 807 AFSL No. 230859  
GPO Box 756, Melbourne, VIC, 3001

PDS dated 18 March 2020