



**Combined Product Disclosure  
Statement and Financial Services Guide**  
Loan Termination Insurance—Gold

## Introduction

It is important that before You purchase this insurance You take the time to read and understand this Combined Product Disclosure Statement (PDS) and Financial Services Guide (FSG) in its entirety, as it contains important information as required under the financial service provisions of the Corporations Act 2001 including information about the extent of the cover and its limitations.

If You do not understand any part of this document, please contact Us and We will be happy to explain any matter for You.

### PLEASE TAKE THE TIME TO READ THROUGH THIS DOCUMENT CAREFULLY AND RETAIN FOR YOUR RECORDS

Please note that if the finance contract is not regulated by the National Consumer Credit Protection Act 2009 (Cth) (NCCP), then nothing contained in this document can or should be read as implying that the finance contract is regulated by the NCCP.

Preparation date 1st Oct 2016. V011016

This product is issued by the insurer Eric Insurance Limited. Car Insurance Pty Ltd acts as a Third Party Introducer and is not authorised under the Corporations Act 2001 to provide any financial product advice.

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### Part B Financial Services Guide

Part A:

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# Product Disclosure Statement

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## WHAT IS A PRODUCT DISCLOSURE STATEMENT (PDS)?

This PDS is designed to assist You in understanding this insurance You are considering so You can make an informed choice about whether You should purchase it.

We may need to update this PDS from time to time if certain changes occur where required and permitted by law. If this happens, We will issue You with a new PDS or a Supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, We may issue You with notice of this information in other forms or keep an internal record of such changes (You can get a paper copy free of charge by contacting Us using Our details below).

Other documents may form part of this PDS and the Policy. If they do, We will tell You in the relevant document.

Some words or expressions have special meaning. They begin with capital letters and their meaning is explained in the Definitions and Interpretations section of this PDS.

## WHO IS THE INSURER?

Eric Insurance Limited (Eric) ABN 18 009 129 793 AFSL 238 279, the issuer and underwriter of this insurance product, is an Australian owned insurance company which is authorised by the Australian Prudential Regulation Authority (APRA) to carry on general insurance business in Australia under the Insurance Act 1973 (Cth) and holds an Australian Financial Services Licence issued by Australian Securities and Investments Commission (ASIC).

If You need to contact Eric please do so through any of the options listed in the company details below:

PO Box 9106, Scoresby VIC 3179  
Telephone: 1800 999 977  
Web: [www.ericinsurance.com.au](http://www.ericinsurance.com.au)  
Email: [info@ericinsurance.com.au](mailto:info@ericinsurance.com.au)

## OUR CONTRACT WITH YOU

Where We agree to enter into a Policy with You, following payment or Your agreement to pay the Premium, it is a contract of insurance between Us and You (see definition of “You” for details of who is covered by this term).

The Policy sets out the cover which We are able to provide You. You need to decide if the limits, type and level of cover are appropriate for You and will cover Your potential loss. If they are not, You may be underinsured and You may have to bear that part of any loss for which You are not covered.

The Policy consists of:

- J This document which sets out the standard terms and conditions of Your relevant cover, including its limitations and exclusions;
- J The Policy Schedule issued by Us. The Policy Schedule is a separate document, which shows certain insurance details relevant to You. It may include additional terms, conditions and exclusions relevant to You that amend the standard terms of this document. If the Policy is varied during the Period of Insurance We will send You an updated Policy Schedule taking into account the variations; and
- J Any other change to the terms of the Policy otherwise advised by Us in writing (such as an Endorsement or Supplementary PDS) which may vary or modify the above documents.

These are all important documents and should be carefully read together as if they were one document to ensure that You are satisfied with the cover. All Policy documentation should be kept in a safe place for future reference.

We reserve the right to change the terms of the Policy where permitted to do so by law.

## YOUR DUTY OF DISCLOSURE

Before You enter into an insurance contract, You have a duty of disclosure under the [Insurance Contracts Act 1984](#).

If We ask You questions that are relevant to Our decision to insure You and on what terms, You must tell Us anything that You know and that a reasonable person in the circumstances would include in answering the questions.

You have this duty until We agree to insure You.

### If You do not tell Us something

If You do not tell Us anything You are required to tell Us, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If Your failure to tell Us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.

## ONGOING DISCLOSURE

Cover provided by Your Policy may be affected if Your job or the nature of Your employment changes. You should refer to the Eligibility Criteria section of the PDS for further details. You are required to inform Us if Your circumstances change.

## ELIGIBILITY CRITERIA

You are only eligible for cover under the Policy if You meet the following eligibility criteria at time of inception and throughout the Period of Insurance:

You must:

- J Be at least 18 years of age at the commencement of the Period of Insurance;
- J Be under the age of 65. Cover under the Policy will cease when You reach the age of 65;
- J Have Permanent Gainful Employment of at least twenty (20) hours per week.;
- J Have been continuously employed for the six (6) month period prior to the commencement of the Period of Insurance;
- J Not be employed in a seasonal or Intermittent position;
- J Not be employed in a contracted position of less than the term of the finance contract;
- J Have resided in Australia for a minimum of 2 years prior to the Period of Insurance; and
- J Meet any other eligibility criteria We set from time to time. We will tell You what these are when You apply.

Cover under this Policy only relates to the individual named in the Policy Schedule and is not available to multiple persons.

## IMPORTANT INFORMATION

This Policy provides cover for multiple events. Depending on Your circumstances it is possible that You will not be eligible for cover under all listed events. You should carefully read this PDS to see what parts of the cover are relevant to You.

For example, to be covered under Our Involuntary Unemployment cover You must be employed on a permanent full-time or permanent part-time basis and must not be self-employed.

**WHAT IS LOAN TERMINATION INSURANCE (LTI)?**

It is important that You read this information and the PDS carefully so You may understand the extent of cover provided and its limitations.

Please note that this is a limited summary only and not a full description of the covers. Each cover noted is subject to terms, conditions, exclusions and limitations that are not listed in the summary. You need to read the full terms, conditions and exclusions of the Policy which specifies the options taken for a full explanation of the cover.

**THE PURPOSE OF LOAN TERMINATION INSURANCE**

This Loan Termination Insurance is a form of Consumer Credit Insurance (CCI) that is designed to assist You with the Shortfall amount owing to the Financier of Your Finance Contract should a covered event occur during the Period of Insurance as a consequence of which You wish to Hand Back Your Vehicle to the Dealer.

We pay all benefit payments directly to the Financier You have Your Finance Contract with.

The extent to which this Loan Termination Insurance responds is based on Your liability under Your Finance Contract (subject to the application of certain Policy benefit limits and exclusions as specified in the Policy).

**CHOOSING THE LEVEL OF COVER**

Within the Policy there are 2 levels of cover available.

If You choose to purchase this insurance, the level of cover applicable to You will be shown on the Policy Schedule.

**TABLE OF BENEFIT LIMITS**

Cover Level	Cover Benefit Limit	Additional Monthly Payment Option	Maximum Policy Term
Level 1	We will pay up to \$10,000 for all claims under the Policy (including payments made under the Additional Monthly Payment option)	We will pay the lesser of: ) 6 Monthly Repayments; or ) \$10,000	The lesser of the term of Your Finance Contract or 84 months
Level 2	We will pay up to \$10,000 for all claims under the Policy (including payments made under the Additional Monthly Payment option)	We will pay the lesser of: ) 3 Monthly Repayments; or ) \$10,000	The lesser of the term of Your Finance Contract or 84 months

**TRUTHFUL STATEMENTS**

You are required to be truthful when supplying information in Your application for this Insurance Policy. See Your Duty of Disclosure.

**NO OBLIGATION TO PURCHASE**

This Policy is not compulsory and it is not a condition of Your Finance Contract that You must have this insurance. If You do choose to take out this insurance Policy, You may do so with another insurer on terms that are the same or different to the terms of the Policy.

**COMMISSION**

Our authorised representatives receive a commission for arranging this Insurance and do so on Our behalf and not Yours. The commission payable to Our authorised representatives is calculated as a percentage of the Premium You pay, excluding Stamp Duty and government charges. For more information on the commission Our authorised representatives receive refer to the FSG (Part B of this document).

**HAND BACK COVER**

If You encounter or suffer from one of the listed events during the Period of Insurance and as a consequence of the occurrence of the event You wish to Hand Back Your Vehicle to the Dealer, (and there is a Shortfall), then subject to the terms and conditions of the Policy We will pay the Shortfall amount (up to the benefit limit of the level of cover selected by You) to the Financier on Your behalf.

If We have accepted a claim under the Additional Monthly Payment Option, We will not pay a benefit under this Hand Back Cover until a period of 60 days (Non-Benefit Period) from the end of the previous period covered by the Additional Monthly Payment Option has elapsed..

We will reduce the amount payable under this benefit by the amount of any previous claims settled under the Additional Monthly Payment Option.

**Other exclusions of cover may apply to this benefit. Please see the Eligibility Criteria, and Exclusions sections for further details.**

**You will only be eligible to make a claim under the Hand Back Cover section in the Policy if all of the following requirements are met:**

- ) During the Period of Insurance the Vehicle must have been maintained and serviced in accordance with the Vehicle Manufacturer’s requirements;
- ) Prior to any voluntary Hand Back of the Vehicle any damage or mechanical faults must be rectified; and
- ) You must pay to the Financier any amount that exceeds the maximum benefit limit provided by the Policy (as advised by Us) before You voluntarily Hand Back Your Vehicle to the Dealer.

**The Financier must agree to release any encumbrances held over the Vehicle before any claim payment under the Policy for hand back cover will be made. This confirmation and authorisation from the Financier must be received by Us in writing.**

**HAND BACK COVER Continued**

Level 1 & 2 Cover	
Bankruptcy (for the self-employed)	We will pay the lesser of:
Disability	<ul style="list-style-type: none"> <li>) The Shortfall due, or</li> <li>) \$10,000</li> </ul>
Divorce	
Driving Restrictive Medical Condition	A 60 day Non-Benefit Period applies to Disability and Involuntary Unemployment.
International Job Transfer	
Involuntary Unemployment	
Trauma	

Other exclusions of cover may apply to this benefit. Please see the Cover Limitations, Eligibility Criteria, and Exclusions sections.

**ADDITIONAL MONTHLY PAYMENT OPTION**

If one of the events listed in the following table occurs during the Period of Insurance We will make one lump sum payment equal to 3 Monthly Repayments to Your Financier. This payment will only be made after the completion of the applicable Non-Benefit Period.

We will only pay Monthly Repayments if:

- ) Your Monthly Repayments are not in arrears at the time of the event giving rise to a claim;
- ) You have made 2 or more Monthly Repayments since the commencement of the Finance Contract.

If the event continues, or if a further event occurs we will make an additional payment equal to 3 Monthly Repayments to Your Financier (Level 1 cover only).

We will only pay further Additional Monthly Payment Option payments if:

- ) You continue to be Involuntary Unemployed or Disabled; and
- ) Your Monthly Repayments are not in arrears.

Other exclusions of cover may apply to this benefit. Please see the Cover Limitations, Eligibility Criteria and Exclusions sections.

Event	Level 1	Level 2
If You suffer a Disability during the Period of Insurance	We will pay the lesser of 6 Monthly Repayments or \$10,000	We will pay the lesser of 3 Monthly Repayments or \$10,000
	A 60 day Non Benefit Period applies	A 60 day Non Benefit Period applies
If You suffer Involuntary Unemployment during the Period of Insurance	We will pay the lesser of 6 Monthly Repayments or \$10,000	We will pay the lesser of 3 Monthly Repayments or \$10,000
	A 60 day Non Benefit Period applies	A 60 day Non Benefit Period applies

**ADDITIONAL MONTHLY PAYMENT OPTION BENEFIT LIMITS**

Subject to the level of cover You have selected, We will pay up to a maximum of either 3 or 6 Monthly Repayments or the Cover Benefit Limit for:

- ) Any and all Disabilities suffered; and
- ) Any and all occurrences of Involuntary Unemployment You suffer;

during the Period of Insurance.

**CLAIM EXAMPLES**

**Example 1**

You have Level 1 Cover and You suffer from a Disability during the Period of Insurance. You have been advised that You will be unable to work for approximately 95 days. You can elect to Hand Back the Vehicle after You have been disabled for 60 days or You can elect to claim for payment of the Monthly Repayments under the Additional Monthly Payment Option for each month You are Disabled in excess of 60 days. You decide to use the Additional Monthly Payment Option. You decide to use the Additional Monthly Payment Option. Each Monthly Repayment is \$1,000. Eric pays to the Financier \$3,000 as a lump sum payment covering 3 Monthly Repayments.

**Example 2**

You have Level 2 Cover and You suffer from a Trauma during the Period of Insurance. One year earlier You made a claim on the Policy under the Additional Monthly Payments Option as You broke your leg and were Disabled. Each Monthly Repayment was \$1,000 and You were away from work for less than 3 months following the completion of the Non-Benefit Period (\$3,000 in total was paid to Your Financier). As a result of the Trauma You elect to Hand Back the Vehicle to the Dealer. The value of the Vehicle as reasonably determined by Us is \$25,000\* and the Payout Figure is \$35,000. You have a Shortfall of \$10,000. We will pay the Financier \$7,000 being the lesser of the Shortfall and Level 2 Cover of \$10,000 less the \$3,000 Additional Monthly Payment Option claim made one year ago.

\*Vehicle value is determined in accordance with the mid point between retail and trade value of the current edition of the Glasses Guide Auto Edge, for a Vehicle which is the equivalent age, make, condition and model as Your Vehicle.

**TAXATION**

Premiums are generally not tax deductible. Payments made due to Disability or Involuntary Unemployment may be taxable. Other payments to individuals should generally not be taxable.

This information is based on Eric’s interpretation of the present taxation rules. You should seek advice from a suitably qualified professional in relation to your particular circumstances.

## COVER LIMITATIONS

You should be aware of the following limitations associated with the Policy:

In order to understand when the Policy will cover Your Shortfall amount and when it will not, You should carefully read the Exclusions relating to the cover in this document.

Benefits payable under the Policy are subject to benefit limits set out in the Policy. The maximum amounts We will pay for the cover level You have chosen are set out in this document.

No cover is provided for any Disability arising directly or indirectly from or in any way connected with a sickness contracted or an injury suffered within 30 days of the commencement of the Period of Insurance.

## EXCLUSIONS

The following exclusions are applicable to all levels of cover offered in this Policy. Our liability to pay a claim under the Policy is excluded in the following circumstances:

We will not pay any benefit under the Policy if:

- ] You fail to meet the Eligibility Criteria at the time of the event leading to Your claim;
- ] The Vehicle is used, or has been used as a Vehicle for rent or hire;
- ] The Motor Vehicle exceeds two tonnes Carrying Capacity;
- ] You are under 18 or after You reach 65 years of age during the Period of Insurance ;or
- ] You are claiming more than one type of cover at any one time.

We will not pay a benefit for an event caused by or arising directly or indirectly or in any way connected with:

- ] You taking part in any criminal activities;
- ] You taking part in motor racing or horse racing;
- ] You engaging in a professional sporting activity as Your sole profession;
- ] Use or contact with nuclear materials of any kind, weapons or waste, iodising radiation or asbestos;
- ] Aerial activity, except as a passenger in a fixed wing aircraft owned and operated by a licensed airline;
- ] Your suicide, attempted suicide or any deliberate or self-inflicted injury or illness;
- ] Any emotional, stress related or psychiatric condition, post-viral debilities, chronic fatigue syndrome and myalgic encephalomyelitis, depression, anxiety, psychological and/or neurological condition or disorder;
- ] Backache, unless a Medical Practitioner provides medical evidence showing definite symptoms of restriction of movement;
- ] A sickness or injury which occurred within 30 days of the commencement of the Period of Insurance;
- ] Any Pre-existing Medical Condition;
- ] Pregnancy, IVF, abortion or childbirth or complications thereof;
- ] You not following the advice of a Medical Practitioner for Your rehabilitation;
- ] Acquired Immune Deficiency Syndrome (AIDS);
- ] Human Immune Deficiency Virus (HIV);
- ] A World Health Organisation declared Pandemic.
- ] An addiction to or being under the influence of alcohol or a drug other than a drug taken under the advice of a Medical Practitioner;
- ] War, riot, civil commotion, strike, lockout or an act of terrorism; or
- ] Avian influenza.

The following amounts will not be included in any claim for a Shortfall:

- ] Any arrears or deferred payments owed under the Finance Contract;
- ] Any early discharge penalty payment or additional interest owed under the Finance Contract;
- ] Any amounts of rebates for insurance or warranty contracts financed under the Finance Contract;
- ] Any amount of any increased liability where there has been a variation to Your Finance Contract which has not been notified to Us, and confirmed in writing by Us as being covered by the Policy; and
- ] Any GST liability unless You are not a registered entity within the meaning of the new tax system (Goods and Services Tax) Act 1999 (Cth).

We will not pay any benefit under the Hand Back cover of the Policy if:

- ] For any reason whatsoever You have not handed back Your Vehicle to the Dealer;
- ] Upon Hand Back of the Vehicle there is no Shortfall amount payable on Your Finance Contract;
- ] The reason that You Hand Back the Vehicle is not related to one of the covered events noted in the Hand Back Cover section;
- ] The covered event does not occur during the Period of Insurance; or
- ] Your Vehicle has any existing damage or mechanical faults at the time of Hand Back.

We will not pay any amount payable by an insurer or a third party in relation to damage to the Vehicle incurred prior to the Hand Back.

We will not pay a benefit for Involuntary Unemployment caused by or arising directly or indirectly or in any way connected with:

- ] You becoming voluntarily unemployed or Involuntarily Unemployed due to Your actions including but not limited to deliberate misbehaviour, dishonesty, You being deemed unsuitable for the role, poor work performance or failure to meet any work related targets (e.g. sales targets);
- ] Termination of your employment during or at completion of Your initial probation period;
- ] You accepting voluntary redundancy;
- ] You become unemployed due to the Intermittent nature of Your work or the completion of a project or specified work for which You were employed or the completion of a contract for a specified time;
- ] You being offered employment but elect not to take it; or
- ] Your ineligibility to register with the relevant government agency ( e.g. Centrelink) for any reason.

This Policy does not cover non-financial loss or consequential financial loss.

Consequential financial loss is indirect loss which accompanies insured loss including but not limited to legal costs or investigation costs.

Non-financial loss is loss, including but not limited to distress, inconvenience, pain and suffering and/or damage to reputation.

## HOW TO MAKE A CLAIM

If You need to make a claim, please contact Us on 1800 999 977 as soon as possible.

You will need to fully complete and sign the claim form, provide Us with any information We ask from You and return the form to Us:

All certificates and evidence required by Us shall be furnished by You at Your expense in the form and of the nature prescribed by Us. No benefits under the Policy are payable until evidence satisfactory to Us is received.

Where We do not agree with the opinion or diagnosis of a Medical Practitioner engaged by You, We may require You to submit to a further medical examination by a Medical Practitioner engaged by Us at Our expense.

Payments or refunds under the Policy will be paid to the Financier who has funded the Premium. Our obligation to You will be satisfied to the extent of any such payment.

All calculations are made using the date you became eligible to claim under the Policy. ie: for a Disability this would be 60 days from the day You were certified as unable to work.

## CANCELLATION

### CANCELLATION BY YOU

If You wish to cancel the Policy, You may do so at any time by providing Us with notice by phone, email or by mail.

We will refund to You the portion of the Premium that You have paid to Us that is attributable to the unexpired Period of Insurance remaining under the Policy. We will calculate the amount of Your refund using the formula as set out under the National Consumer Credit Protection Act 2009 (NCCP).

The refund calculation takes into account the total Premium paid, term of the Policy and unexpired portion of the Period of Insurance.

Cancellation by You will be effective by 4pm AEST on the day We receive Your cancellation notice or the date specified in Your cancellation notice (whichever occurs last).

### CANCELLATION BY US

We may cancel or avoid the Policy for any reason permitted under law. For example We may cancel or avoid the Policy if You:

- )] Made a misrepresentation to Us before entering into the Policy;
- )] Fail to comply with the duty of disclosure or the duty of utmost good faith;
- )] Fail to comply with a provision of the Policy (including the obligation to pay the Premium on time); or
- )] Make a fraudulent claim under the Policy or any other insurance Policy.

Unless otherwise provided for in the Policy, if We cancel the Policy, We will give written notice to You personally, to Your agent or by post to Your last known address. Such notice will be effective from 4pm AEST on the seventh day after the day it is given to You, unless it specifies a later date. You may be entitled to a pro rata refund of the Premium for the remaining Period of Insurance, which is calculated as stated in Cancellation by You section above.

**Where the Premium has been financed, You authorise Us to pay any refund direct to the Financier unless the Financier otherwise authorises the refund to be paid direct to You.**

## TERMINATION

This Policy will terminate on the happening of any of the following events:

- )] The expiration of the Period of Insurance;
- )] The cancellation of the Policy;
- )] The payout of the Finance Contract;
- )] If You reach the age of 65 years;
- )] If You no longer reside in Australia; or
- )] If the maximum aggregate benefit limit under the Policy is reached, in which case no Premium refund will be payable.

*If You have financed this product and You pay out the Finance Contract prior to the scheduled completion date, You should contact Us to cancel this Policy as You will not receive any further benefit under the terms and conditions of this Policy. Please refer to the Cancellation section for further details*

## COST OF THE POLICY

A number of factors are taken into account in setting Our Premiums and these include the term of the Finance Contract, the types of covers selected and the amount borrowed. All of these factors impact on the amount of Premium charged for the Policy. If You purchase this Credit Insurance from Us, the Premium includes an amount to take into account Our obligation to pay any compulsory Government charges including Stamp Duty and GST where applicable.

Before We can give You any insurance cover, the Premium for the Policy must be paid either by You or by including the Premium in the Finance Contract under which the Financier agrees to make the payment to Us.

## PRIVACY

Personal information is essentially information or an opinion about an identified individual or an individual who is reasonably identifiable, whether the information or opinion is true or not and whether recorded in a material form or not. See the Privacy Act for full details. You can choose not to provide Us with some of the details or all of Your personal information, but this may affect Our ability to provide You with Our services or products or properly manage and administer services and products provided to You or others.

We, and Our agents, need to collect, use and disclose Your personal information in order to consider Your application for the Policy, provide the cover You have chosen, calculate or offer discounts to You, administer the Policy, assess, investigate, handle and settle any claim, communicate with You both by mail and electronically about Your Policy, make special offers of other services and products provided by Us or those we have an association with, that might be of interest to You and conduct product and service research, data analysis and business strategy development.

For these purposes, We can collect Your personal information from and/or disclose it on a confidential basis to, Our related entities, Our distributors and other agents or contractors, other insurers (including reinsurers), insurance reference bureaux, law enforcement agencies, investigators, lawyers, accounting and other professional advisers, Your agents, actuaries, translators, loss assessors and adjusters, financiers, credit agencies, and other parties We may be able to claim or recover against, anyone either of Us appoint to review and handle complaints or disputes, and any other parties where permitted or required by law. Your Personal information may also be disclosed to entities related to Us, reinsurers, cloud service providers, which may be located in Australia or Overseas. The countries where Your information may be disclosed include but are not limited to the United States of America, China, New Zealand or other countries where We or Our distributors have a presence. We prohibit the above entities from using Your personal information for purposes other than those We supplied it for. The disclosure of your personal information may only be used for administration of systems in addition to the purposes listed above. We regularly monitor and audit the security of Your information in accordance with current information security standards.



## PRIVACY Continued

We collect personal information directly from You unless You have consented to collection from someone other than You, it is unreasonable or impracticable for Us to do so or the law permits Us to. Where You provide personal information to Us about another person, You must be authorised to provide that information to Us and inform that person of this Privacy Notice including who We are, how We use and disclose their information, and how they can gain access to that information. By providing Us with personal information you and any other person You provide personal information for, consent to this use and these disclosures unless You tell Us otherwise. If You wish to withdraw Your consent, including for things such as receiving information on products and offers by Us or persons We have an association with, please contact Us.

Our Privacy policy provides details on how You can access Your personal information and seek correction of it. If You would wish to lodge a complaint with Us about a potential breach of Your privacy You may do so as outlined in Our Privacy policy and in the Dispute Resolution section of this PDS. Please contact Us if You would like a copy of Our Privacy policy. The Privacy policy is also available on Our website [www.ericinsurance.com.au](http://www.ericinsurance.com.au).

## COOLING OFF PERIOD

You have the right to cancel the Policy within 21 days of the date that it was issued or sold to You (“cooling off period”).

If You cancel the Policy during the cooling off period, We will refund the Premium unless you have made a claim. The Policy will be terminated from 4pm AEST on the date We are notified of Your request.

To cancel the Policy, You must notify Us within the cooling off period. You can do this by contacting Us by phone, email or by mail.

After the cooling off period has ended, You still have cancellation rights (refer to “Cancellation” section for full details).

## DISPUTE RESOLUTION

We have an internal procedure for Dispute Resolution so that if at any time Our products or services have not satisfied Your expectations You can contact Us. If You have a complaint, please give Us every opportunity to try to resolve Your complaint.

### Step 1 Contact the Operations Manager

If You are not satisfied with Our initial response Your complaint will be referred for review by the Operations Manager who would respond to You within 15 business days.

### Step 2 Contact our Compliance Manager

If the complaint is still not resolved to Your satisfaction, You can ask the Compliance Manager to refer Your dispute to Our Internal Dispute Resolution (IDR) Committee for review. The IDR Committee members are independent and have the authority to review the decision. The IDR Committee will inform You of the final decision within 15 business days.

A dispute can be referred to the Financial Ombudsman Service (FOS) subject to its terms of reference. It provides a free and independent dispute resolution service for consumers who have general insurance disputes falling within its terms and its contact details are:

The Financial Ombudsman Service  
Local call: 1800 367 287  
Post: GPO Box 3, Melbourne, Victoria 3001  
Website: [www.fos.org.au](http://www.fos.org.au)

## CODE OF PRACTICE

The Insurance Council of Australia (ICA) has developed a voluntary General Insurance Code of Practice (the Code) to which We are a signatory. This Code aims to raise the standards of practice and service within the general insurance industry.

The objectives of this Code are:

- )] To commit Us to high standards of service;
- )] To promote better, more informed relations between Us and You;
- )] To maintain and promote trust and confidence in the general insurance industry;
- )] To provide fair and effective mechanisms for the resolution of complaints and disputes between Us and You; and
- )] To promote continuous improvement of the general insurance industry through education and training.

To obtain a copy of the Code visit [www.codeofpractice.com.au](http://www.codeofpractice.com.au) or call (02) 9253 5100.

## COMPENSATION ARRANGEMENTS AND FINANCIAL CLAIMS SCHEME

We are an insurance company authorised under the Insurance Act 1973 (Cth) (Insurance Act) to carry on general insurance business in Australia by the Australian Prudential Regulation Authority (APRA) and are subject to the prudential requirements of the Insurance Act. The Insurance Act is designed to ensure that, under all reasonable circumstances, financial promises made by Us are met within a stable, efficient and competitive financial system.

Because of this We are exempt from the requirements to meet the compensation arrangements Australian Financial Services Licensees must have in place to compensate retail clients for loss or damage suffered because of breaches by the licensee or its representatives of Chapter 7 of the Corporations Act. We have compensation arrangements in place that are in accordance with the Insurance Act.

In the unlikely event that We were to become insolvent and could not meet our obligations under the Policy, a person entitled to claim under the Policy may be entitled to payment under the Financial Claims Scheme. Access to the scheme is subject to eligibility criteria. Please refer to [www.apra.gov.au](http://www.apra.gov.au) or call the APRA Hotline on 1300 55 88 49 for more information.

## DEFINITIONS AND INTERPRETATION

Certain words used in this PDS have special meanings. This Definitions section contains such terms. In some cases, certain words may be given a special meaning in a particular section of the Policy when used or in the other documents making up the Policy.

Headings are provided for reference only and do not form part of the Policy for interpretation purposes.

**Bankruptcy:** Means if a sequestration order has been made against a person’s estate or a person has become bankrupt by virtue of the presentation of a debtor’s petition.

**Cancer:** Means the first unequivocal of any internal malignant tumour requiring treatment by surgery, radiotherapy, hormone therapy, or chemotherapy. Included will be any malignant tumour considered to be too advanced or too serious for specific treatment to be warranted. Excluded in this definition are:

- )] Tumours treated by endoscopy procedures alone;
- )] Tumours classified as carcinoma-in-situ;
- )] Tumours of the skin with the exception of malignant melanoma where there is evidence of spread to lymph nodes or distance tissues; and
- )] Kaposi’s sarcoma and other tumours caused by AIDS.

## DEFINITIONS AND INTERPRETATION Continued

**Chronic kidney failure:** Means end stage renal disease which requires permanent dialysis or renal transplantation.

**Coronary artery by-pass surgery:** Means the undergoing of coronary artery by-pass surgery that is considered necessary to treat coronary artery disease causing inadequate myocardial blood supply. Surgery does not include angioplasty, intra-arterial procedures or non-surgical techniques.

**Dealer:** Means the originating Motor Vehicle Dealership from where Your Vehicle was originally purchased. In the event that you financed Your Vehicle through a finance broker independent of the Licenced Motor Vehicle Trader (LMCT) that You purchased the Vehicle from, then You may sell Your Vehicle to any other Licenced Motor Vehicle Trader (LMCT).

**Disability and Disabled:** Means an Injury or Sickness (excluding Trauma) that renders You incapable of continuous performance for no less than 60 days (Non-Benefit Period) of the duties of any occupation for which You are reasonably qualified by education, training or experience as certified by a Medical Practitioner.

**Divorce:** Means the legal termination of a marriage otherwise than by the death of a party to the marriage, as described in The Family Law Act 1975.

**Driving Restrictive Medical Condition:** Means a sickness or injury that disables You from driving Your Vehicle for at least 6 months. This must be certified by a Medical Practitioner.

**Endorsement:** Means an additional term or condition applied by Us or an alteration requested by You. An Endorsement may be sent as a separate document or may be stated on the Policy Schedule or Renewal Certificate.

**Financier:** Means the finance company or credit institution that provided the funds for the purchase of the Vehicle, as stated in the Policy Schedule.

**Finance Contract:** Means the legal agreement with the Financier which describes the terms and conditions under which the funds were provided to You.

**Glasses Guide Value:** Means an Australian automotive reference publication which provides valuations for Vehicles in different conditions.

**Hand Back:** Means where You sell Your Vehicle to the Dealer as a consequence of one of the covered events noted in the Hand Back Cover section in the Policy.

**Heart Attack:** Means a diagnosed acute myocardial infarction that has been documented by the occurrence of chest pain and electro cardiographic evidence and appropriate elevation in cardiac enzymes.

**Injury:** Means a bodily injury caused solely by an Accident that first occurs during the Period of Insurance and does not include any Sickness.

**Intermittent:** Means occurring at irregular intervals; not continuous or steady. Including but not limited to, casual, temporary or seasonal employment.

**International Job Transfer:** Means if as part of Your occupation You are moved, but not at Your own request, for a period of at least 24 consecutive months and Your permanent residence is changed to a country other than Australia, and You did not have any knowledge of the transfer:

- ] Prior to the commencement of the Period of Insurance, or
- ] Within 90 days after the commencement of the Period of Insurance.

**Involuntary Unemployment and Involuntarily Unemployed:** Means where You become unemployed and remain unemployed for a period of not less than 60 days (Non-Benefit Period) as a result of Your employer terminating Your contract of employment where You are able to, and wish to, continue to work. Your unemployment status is required to be certified by the appropriate government agency.

**Major organ transplant:** Means the medically necessary organ transplant from a human donor to You of one or more of the following complete organs:

- ] Heart
- ] Kidney
- ] Small bowel
- ] The transplant of bone marrow
- Liver
- Pancreas
- Lung

**Medical Practitioner:** Means a doctor or specialist who is registered or licensed to practice medicine under the laws of the country in which they practice, other than You, a member of Your immediate family or Your employee.

**Monthly Repayment:** Means Your monthly repayment due to the Financier under the Finance Contract.

**Non-Benefit Period:** Means the period of time during which a benefit will not be paid. This applies at the onset of an event that leads to a claim.

**Payout Figure:** Means the amount required by the Financier, at the date of Your claim to discharge Your indebtedness under the Finance Contract.

**Permanent Gainful Employment:** Means You are working on a permanent or continuous basis for income or wages for a minimum of 20 hours every week and You are not in employment of a seasonal, casual, temporary or non renewable contract nature and in the case of Involuntary Unemployment, You are not self-employed.

**Period of Insurance:** Means the Period of Insurance commences on the inception date and ends on the expiry date, as stated on the Policy Schedule, unless the Policy ends earlier in accordance with its terms.

**Policy:** Means the insurance contract between Us and You. It consists of this document, the Policy Schedule and any other change to the terms of the Policy otherwise advised by Us in writing (such as Endorsements or Supplementary PDS's We may give You from time to time).

**Policy Schedule:** Means the relevant schedule We issue including on renewal or variation of the Policy which includes Your details, the Vehicle details, the Policy number together with the details of cover, Establishment Fee, Premium and other Policy details.

**Pre-existing Medical Condition:** Means any bodily injury, disease, sickness, illness or other medical condition, including symptoms, treatment or advice or side effect of that treatment or advice, or other condition relating to Your health:

- ] Of which You were aware or a reasonable person in the circumstances would have been aware or could have been expected to be aware, and which was present, continuing, being suffered from or experienced; or
- ] For which You sought or received or for which a reasonable person in the circumstances would have sought or received, medical advice or treatment from a Medical Practitioner or other health professional; or
- ] Any condition for which You have had surgery,

prior to the commencement of the Period of Insurance.

## DEFINITIONS AND INTERPRETATION Continued

**Premium:** Means the amount You pay for the Policy including amounts payable by Us in relation to any compulsory Government charges such as Stamp Duty, GST and Fire Service Levy, if applicable, but excluding any Establishment Fee.

**Purchase Price:** Means the amount paid for the Vehicle including only the following:

- ] Registration;
- ] Dealer delivery fees; and
- ] Statutory charges (including any Government taxes and charges) but excluding all other costs.

**Sickness:** Any illness, sickness or disease that first manifests itself during the Period of Insurance and does not include any Injury.

For the purposes of this definition a Sickness will first manifest itself on the earlier of:

- ] The date a Medical Practitioner, diagnoses the Sickness or symptoms of the Sickness, whichever is earlier;
- ] The date a Medical Practitioner reasonably considers the symptoms of the Sickness first occurred or manifested;
- ] The date You first became aware of the Sickness or symptoms of the Sickness, whichever is the earlier;
- ] The date a reasonable person in the circumstances would have been aware of the Sickness or symptoms of the Sickness, whichever is the earlier; and
- ] The date You first received medical treatment for the Sickness or symptoms of the Sickness, whichever is the earlier.

**Shortfall:** Means the difference between the Payout Figure and the greater of, the value of the Vehicle as reasonably determined by Us in accordance with the mid-point between retail and trade value of the current edition of the Glasses Guide Auto Edge, for a Vehicle which is the equivalent age, make, condition and model as Your Vehicle and the price paid by the Dealer following a Hand Back. If We deem it necessary We reserve the right to obtain an independent assessment and valuation report.

**Stroke:** Means an infarction of brain tissue due to a cerebral-vascular incident and which is associated with evidence of a neurological deficit which creates permanent functional impairment. It does not mean infarction of brain tissue as a result of bodily injury caused by violent, accidental, external and visible means. Excluded in this definition is:

- ] Transient ischaemic attacks, cerebral events due to reversible neurological deficits, migraine, hypoxia or trauma, and vascular disease affecting the eye, optic nerve or vestibular functions.

**Trauma:** Means the diagnosis and certification of one of the following trauma events by a Medical Practitioner and agreed to by Us:

- |                                   |                          |
|-----------------------------------|--------------------------|
| ] Cancer                          | • Chronic kidney failure |
| ] Coronary artery by pass surgery | • Heart attack           |
| ] Major organ transplant          | • Stroke                 |

**Vehicle:** Means the Vehicle described in the Policy Schedule, including factory or Dealer fitted equipment or accessories. This means motor vehicles (with a carrying capacity up to 2 tonnes), Motorcycles, Boats, Caravans and Campervans.

**We, Us, Our:** Means the issuer and insurer of the Policy, Eric Insurance Limited (Eric) ABN 18 009 129 793 AFSL 238 279

**You and Your:** Means the insured person named in the Policy Schedule.

## JURISDICTION AND CHOICE OF LAW

The Policy is governed by and construed in accordance with the law of Victoria Australia and the Insured agrees to submit to the exclusive jurisdiction of the courts of Victoria and agrees that it is its intention that this Jurisdiction and Choice of Law clause applies.

## FURTHER INFORMATION AND CONFIRMATION OF TRANSACTIONS

If You require further information about this insurance or wish to confirm a transaction, please contact Us.

**carinsurance**<sup>.com.au</sup>

Powered by



**Call us - 1300 369 169**

P.O. Box 9106  
Scoresby VIC 3179  
ABN 18 009 129 793 AFSL 238 279

**Part B FINANCIAL SERVICES GUIDE****About this Financial Services Guide**

This Financial Services Guide (FSG) is designed to assist you in deciding whether to use the financial services we provide. It explains the kinds of financial services we offer. It also contains general information about who we are, how we and other persons or organisations are paid in relation to the services and how to make a complaint.

The Product Disclosure Statement (PDS) (Part A of this document) contains information on the benefits and significant characteristics of this Eric insurance product and of the rights, terms and conditions attaching to the policy. It is aimed at assisting you to compare insurance products so that you can make an informed choice about whether to acquire the product.

This FSG was prepared on 1st Dec 2016

Distribution of this FSG has been authorised by Eric.

Your Questions	Our Answers
<b>Who is Eric?</b>	<p>Full details about Eric, including its contact details, ABN and AFSL number, are given in the PDS (Part A of this document).</p> <p>Eric is an Australian Financial Services Licensee which is authorised to deal in and provide general advice in relation to general and life insurance (limited to life consumer credit insurance) products.</p> <p>Eric specialises in the offering of motor trade related insurances for wholesale and retail clients. Depending on the scope of their authorisation, Eric's authorised representatives can assist you with:</p> <ul style="list-style-type: none"> <li>Consumer Credit Insurance (CCI)</li> <li>CCI (business purpose)</li> <li>Gap Cover Insurance</li> <li>Motor Vehicle Insurance</li> <li>Extended Warranties Insurance</li> <li>Such other general insurance products as authorised by Eric from time to time</li> </ul>
<b>Who are we?</b>	<p>Our contact details including ABN and AR number is set out on the last page of this document.</p> <p>Referred to in this FSG as "we", "us" or "our".</p>
<b>Who is the Administrator?</b>	<p>This Eric insurance product is administered on behalf of Eric by the Third Party Introducer (TPI) whose name and contact details are set out on the last page of this document.</p> <p>Eric has an arrangement with the TPI to provide certain non-financial services on its behalf in relation to this Eric insurance product.</p> <p>The TPI is not responsible for this Combined Product Disclosure Statement and Financial Services Guide and does not provide any financial product advice on this Eric insurance.</p> <p>The name and contact details of the TPI are set out on the last page of this document.</p>
<b>What remuneration is payable in relation to the financial services we provide?</b>	<p><b>Eric and its employees</b></p> <p>Eric receives the premium you agree to pay for the product which may include amounts in relation to stamp duty, GST, fire services levy and/or other government charges, taxes, fees or levies (where relevant).</p> <p>Eric employees receive a salary from Eric and may receive bonuses and incentives.</p> <p><b>Third Party Introducer (TPI), Authorised Representative(s) and other parties they contract with (and their employees)</b></p> <p>Eric retains an agreed amount of the premium dependent on factors such as the type of product and coverage and the relevant TPI's services and retains the amount of premium received in relation to relevant taxes, charges and levies. The TPI receives the difference between that amount and the premium paid. Authorised representatives as well as other parties that contract with the TPI to undertake some or all of the TPI's duties (where relevant) may receive a share of the amount that the TPI receives from Eric, in the form of an agreed commission and/or fee between the TPI and the Authorised Representative and/or other party (as relevant).</p>

	<p>Employees of the TPI and/or the Authorised Representative(s) (including directors and subcontractors) may be paid a salary for their services and may also receive bonuses based on the volume of sales of all financial products over a period and may participate in profit sharing arrangements, business related conferences, study trips or other functions. The TPI and/or Authorised Representatives may share or pass on a proportion of any additional remuneration or other benefits they receive to their authorised staff.</p> <p>Where a third party has referred you to the TPI, Authorised Representative or another party they contract with, that party may share with them a part of the amount it earns.</p> <p>All of the above remuneration is taken from the premium paid by you. This remuneration may also be received on premium paid when you renew or vary your insurance.</p> <p>If you would like more information about the remuneration that we or other entities receive in relation to the above services, please ask us. The request should be made within a reasonable time after this FSG is provided to you and before we provide you with a financial service to which this FSG relates.</p>
<b>What happens if you have a complaint or dispute?</b>	We will do our best to work with you to resolve any complaints you may have in relation to the financial services provided by us. For information on how your complaint can be resolved please see the 'Dispute Resolution' section of the PDS (Part A of this document).
<b>What compensation arrangements apply?</b>	Please see the Compensation Arrangements and Financial Claims Scheme section of the PDS (Part A of this document) for information on Eric's compensation arrangements.
<b>What are the changes to the Emergency Services levy in NSW?</b>	<p><b>Emergency Services Levy explained for our customers in New South Wales</b></p> <p>From 1 July 2017 you will no longer pay for the Emergency Services Levy as part of your insurance premium. This fee will be replaced by the Emergency Services Property Levy. Eric Insurance will continue to collect the ESL until this date to ensure we meet our obligations to the New South Wales government. After 1 July 2017 Eric's policies will no longer include the Emergency Services Levy. Please see <a href="http://www.ericinsurance.com.au/">www.ericinsurance.com.au/</a></p>
<b>How is my personal information dealt with?</b>	We are committed to ensuring the privacy and security of your personal information. We adhere to the Privacy terms set out in the "Privacy" section of the PDS (Part A of this document).
<b>Where can you find further information?</b>	If you require further information or would like to give us instructions you can contact us on the number provided on the last page of this document.

<b>Eric Authorised Representative details</b>	<b>Third Party Introducer details</b>
<p>Fleet Choice Pty Ltd ABN: 94096148499</p> <p>Authorised Representative No:378491</p> <p>Address: Level 32, 1 O'Connell Street , SYDNEY, New South Wales 2000</p> <p>Phone: 1300 889 669</p> <p>Fax:</p> <p>Email: <a href="mailto:insurance@fleetchoice.com.au">insurance@fleetchoice.com.au</a></p> <p>Our Office Hours Are: 9.00am to 5.00pm Monday to Friday</p> <p>Trading as: Fleet Choice Pty Ltd</p>	<p>Car Insurance Pty Ltd ABN: 95 605 397 939</p> <p>Address: Level 32, 1 O'Connell Street , SYDNEY, New South Wales 2000</p> <p>Phone: 1300387592</p> <p>Fax:</p> <p>Email: <a href="mailto:enquiries@carinsurance.com.au">enquiries@carinsurance.com.au</a></p> <p>Our Office Hours Are: 9.00am to 5.00pm Monday to Friday</p> <p>Trading as: Car Insurance Pty Ltd</p>