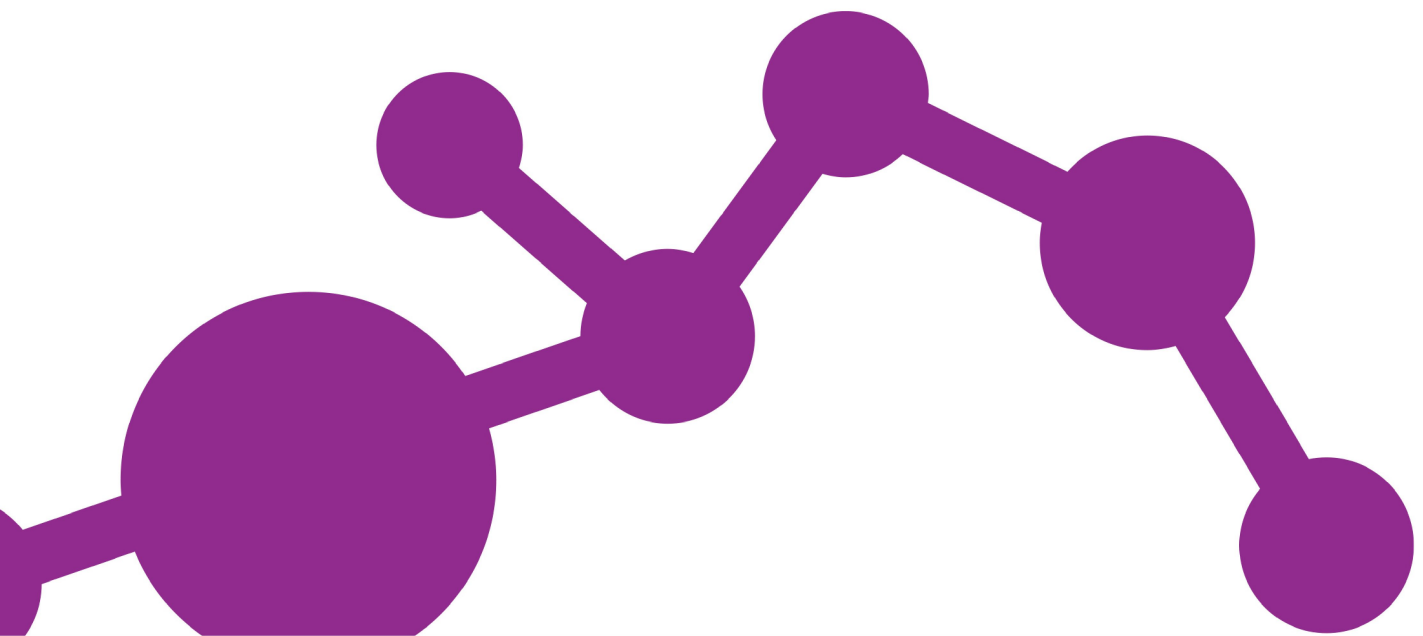




PRODUCT DISCLOSURE STATEMENT

11/15/2023 10:00 AM

Loan Protection Insurance



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Part B Financial Services Guide



Part A:

Product Disclosure Statement

INTRODUCTION

Please take the time to read through this document carefully and keep it in a safe place as it contains important information required under the Corporations Act 2001 including information about the extent of your insurance cover and any limitations.

If you have any questions about this document or your insurance cover, please contact us and we will be happy to explain any matter for you.

Preparation date 1st February 2019. V010219

YOUR PRODUCT DISCLOSURE STATEMENT (PDS)

This PDS sets out the terms and conditions of your insurance cover. Please read it so that you can make an informed choice about your insurance needs.

The information in this PDS was current at the time of its preparation. If there is a significant change to the information, we will make available to you a replacement or Supplementary PDS. If you wish to obtain confirmation of the current terms and conditions of your insurance, please contact us and we will provide them free of charge.

Some words or expressions have special meaning and may begin with capital letters. Their meanings are explained under the heading "What do we mean by that?" in this PDS.

ERIC INSURANCE

Eric Insurance Limited ABN 18 009 129 793 Australian Financial Services Licence (AFSL) 238 279 (Eric), is the issuer and underwriter of this insurance product.

If you need to contact us you can do so through any of the options below:

Post: PO Box 9106, Scoresby VIC 3179
Phone: 1800 999 977
Web: www.ericinsurance.com.au
Email: info@ericinsurance.com.au

OUR AGREEMENT WITH YOU

Upon payment of the Premium, our agreement with you is made up of:

- This combined PDS and Financial Services Guide (FSG);
- The Policy Schedule which shows the details relevant to your insurance cover; and
- Any Endorsement or Supplementary PDS which we may send to you.

NO OBLIGATION TO PURCHASE

This insurance cover provides Consumer Credit Insurance (CCI). It is not compulsory for you to acquire it and it is not a condition of your Finance Contract that you must acquire it. If you do choose to acquire CCI, you may do so with another insurer on terms that are the same or different to the terms of this insurance cover.

OUR REPRESENTATIVES AND DISTRIBUTORS

Eric has relationships with authorised representatives, distributors and other licensees who may arrange insurance on our behalf, and if so, may receive remuneration. For more information, please refer to the FSG (Part B of this document).

HOW TO APPLY AND ELIGIBILITY

To apply for this insurance, you will need to contact one of our participating authorised representatives or distributors who can assist you in completing our online application form.

Your answers to the questions we ask are used to evaluate your application. Refer to section under the heading "Your Duty of Disclosure".

Once your application has been assessed in accordance with our underwriting acceptance criteria and if insurance cover is accepted, we will provide you with a Policy Schedule confirming the terms and conditions specific to your cover.

To be eligible to purchase this insurance, at the commencement of the Period of Insurance you must:

- Be at least 18 years of age and under the age of 65;



- Have been a permanent resident of Australia for more than 104 continuous weeks prior to the commencement of the Period of Insurance;
- Be working on a continuous basis for reward for a minimum of 20 hours each week either in:
 - Full time or permanent part time employment; or
 - Casual employment, provided you have been in continual employment for least 12 months with the same employer. For the avoidance of doubt, a break in casual employment of no greater duration than 4 weeks in the 12 months prior to any claim under this insurance is permissible;
- Not be employed in a seasonal or Intermittent position.

Involuntary Unemployment Cover is not available to people who are self-employed, nor does it apply if unemployment is due to a contracted position reaching its nominated term.

YOUR LOAN PROTECTION INSURANCE (LPI)

You can choose from the following options:

- Disability Cover only; or
- Disability and Involuntary Unemployment Cover.

Type of Cover	Maximum monthly benefit	Maximum benefit all claims
Disability	Up to \$2,500	Unlimited
Involuntary Unemployment	Up to \$2,500	\$10,000

If you choose to purchase this insurance, the cover option(s) applicable to you will be shown on the Policy Schedule.

DISABILITY COVER

If you suffer a Disability as certified by a Medical Practitioner during the Period of Insurance and as a result, you are unable to perform your Employment for a period of greater than 21 days, we will pay 1/30th of your Monthly Repayment for each day you are Disabled (excluding the Excess Period), up to the maximum benefit limit. For example, if your Monthly Repayment is \$600, the benefit you receive is \$20 per day.

Subject to the terms and conditions of your insurance cover, an unlimited number of claims may be made.

A 21 day Excess Period applies to this cover.

INVOLUNTARY UNEMPLOYMENT COVER (if chosen)

In addition to Disability cover, your insurance will provide you with the following benefit.

If you become Involuntarily Unemployed during the Period of Insurance and you are unable to perform your Employment for a period of greater than 21 days, we will pay 1/30th of your Monthly Repayment for every day you are Unemployed (excluding the Excess Period), up to the benefit limit. For example, if your Monthly Repayment is \$750, the benefit you receive is \$25 per day.

The benefits paid will be limited to a maximum period of 150 days in respect of any one claim during any one continuous period of Involuntary Unemployment.

Subject to the terms and conditions of your insurance cover, an unlimited number of claims may be made up to the maximum benefit limits.

A 21 day Excess Period applies to this cover.

All benefits provided under the insurance cover:

- Are not affected by payments you may receive under Worker's Compensation or Social Security; and
- Will be paid directly to the Financier named in the Policy Schedule.

COVER LIMITATIONS

LIMITATIONS TO DISABILITY COVER

The Disability Cover is limited as follows:

- No cover is provided for any sickness which first manifested itself within 30 days after the commencement of the Period of Insurance;
- In the event you are able to return to light duties we will pay a benefit equal to the pro-rata amount based on your light duties income as a fraction of your pre-disability income; and
- In the event that your Medical Practitioner advises that you are able to return to work on light or part-time duties, we will reduce your daily claim amount in proportion to the amount you earn compared to the amount you earned prior to the event (regardless of whether or not you decide to return to work in this reduced capacity).

LIMITATIONS TO INVOLUNTARY UNEMPLOYMENT COVER

The Involuntary Unemployment Cover is limited as follows:

- Involuntary Unemployment Cover is not available to people who are self-employed, nor does it apply if unemployment is due to a contracted position reaching its nominated term;
- The benefits paid will be limited to a maximum period of 150 days in respect of any one claim during any one continuous period of Involuntary Unemployment;
- Subsequent claims for periods of Involuntary Unemployment will only be met if you have been employed in:
 - Full time employment or part time employment for a minimum of 20 hours a week and for more than 13 consecutive weeks following the previous Involuntary Unemployment claim; or
 - Casual employment for at least 20 hours per week and have been with the same employer more than 12 consecutive months following the previous Involuntary Unemployment claim.

WHAT YOU ARE NOT INSURED FOR

Our liability to pay a claim under the insurance cover is excluded in the following circumstances:

- We will not pay a benefit for more than one type of cover at any one time;
- Where there has been any increased liability due to a variation of your Finance Contract which has not been notified to us, and confirmed in writing by us as being covered by the insurance cover;
- We will not pay a claim for any condition arising directly or indirectly from or in any way connected with a World Health Organisation declared Pandemic; or
- You fail to meet the eligibility criteria at the time of the event leading to your claim.

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, ionising 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 Pre-existing Medical Condition;
- Any complications associated with pregnancy, IVF, abortion or childbirth;
- You choose not to follow the advice of a Medical Practitioner for your rehabilitation;
- 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.

Unless expressly included by this insurance, we do not provide cover for all or any consequential financial or non-financial loss, damage or liability incurred as a consequence of the incident giving rise to a claim.

HOW TO MAKE A CLAIM

Contact us on 1800 999 977 as soon as something happens to you that you believe you can claim for.

When making a claim and to assist us in processing it, you must give us the information and assistance we reasonably request, and any information you give us must be honest, correct and complete.

We may need certificates or other documentation to verify your claim, including a completed claim form. Where this is required, we will ask for it. Any costs associated with obtaining further information regarding your claim are payable by you.

Until such time as we accept and approve a claim, you are responsible to continue to make repayments under the Finance Contract.

No benefits under this insurance are payable until evidence satisfactory to us is received and we have agreed to settlement of the claim.

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.

UNEQUAL PAYMENTS

If your payments under the Finance Contract shown in the Policy Schedule are not equal monthly amounts, we will calculate the amount payable for each day of a claim (if applicable) by dividing the total amount of payments (less the amount of the residual) by the number of days in the term of the Finance Contract.

CLAIM RECOVERY

We reserve the right to take action to recover costs incurred by us where we believe the incident is the responsibility of another party. When we do this, we may take action in your name and you will be required to co-operate with us and provide any information we may require.

CLAIM EXAMPLE 1

You become Involuntary Unemployed during the Period of Insurance and remain unemployed for a period of 40 days. On submission and acceptance of your claim we pay 1/30th of your Monthly Repayment for each day you are Involuntarily Unemployed excluding the first 21 days (Excess Period).

Monthly Repayment	\$725.00
Daily amount @ 1/30 th	\$24.17
Total days	19 (40 – 21)

Claim amount paid \$459.23 (\$24.17 x 19)

CLAIM EXAMPLE 2

You suffer a Disability and your Medical Practitioner advises that you are unable to work for a period of 240 days. On submission and acceptance of your claim we pay 1/30th of your Monthly Repayment for each day you are Disabled excluding the first 21 days (Excess Period).

Monthly Repayment	\$725.00
Daily amount @ 1/30 th	\$24.17
Total days	219 (240 – 21)

Claim amount paid \$5,293.23 (\$24.17 x 219)

THE COST OF YOUR INSURANCE COVER

The Premium for your insurance cover will be shown on the Policy Schedule. Some of the key factors that may influence your Premium include, where applicable:

- The risk profile;
- The terms of your Finance Contract;
- The Purchase Price; and
- Government taxes and/or charges.

You are not obliged to finance the payment of the Premium.

COOLING OFF PERIOD

You can contact us by phone, email or mail to cancel your insurance cover within 21 days of the date your insurance cover commences ("cooling off period") and we will refund the Premium in accordance with Insurance legislation, unless you have made a claim.

You are also entitled to cancel your insurance cover after the cooling off period (refer to the "Cancellation" section for full details).

WHAT YOU NEED TO TELL US

We require you to be truthful, honest and accurate whenever we interact with you in relation to this insurance. You must also inform us immediately if any of the following circumstances apply to you:

- There is a change in your personal or Employment details; or
- You are no longer the owner of the Vehicle; or
- You pay out the Finance Contract before its scheduled completion date.

EARLY PAYOUT OF YOUR FINANCE CONTRACT

If you have paid out the Finance Contract prior to its scheduled completion date, your insurance cover will terminate, so it is important you let us know.

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.

HOW WE PROTECT YOUR PERSONAL INFORMATION

Eric are committed to ensuring that your personal information is protected. We collect, store and use your personal information (including sensitive information) for the purpose of providing you with insurance, administering your insurance policy including assessing and paying claims as required. Where it is possible for us to do so, we will collect personal information directly from you or through our distributors at point of sale of your insurance.

We may also use your personal information to inform you about other insurance products or services which may benefit you, perform administrative functions such as training and development of employees, manage complaints and disputes, and to comply with our legal obligations.

Further information on how we use your personal information is set out in our Privacy Policy that is available on our web site www.ericinsurance.com.au/privacy-policy.

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 or contact us.

CANCELLATION OF YOUR INSURANCE

CANCELLATION BY YOU

You may cancel your insurance cover at any time by contacting us by phone, email or mail. If you cancel your insurance cover, your insurance cover will end on the date we received your cancellation request, unless you inform us otherwise and we agree.

CANCELLATION BY US

We may cancel this insurance cover for any reason where circumstances described in Insurance legislation permit us to do so, and in the manner set out in that legislation. For example, we may cancel this insurance cover if you:

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

UPON CANCELLATION

If your insurance cover is cancelled either by you or us (except in the case of fraud) outside your cooling off period, we will refund any Premium you have paid for the period after the cancellation date, less any non-refundable taxes and charges.

If we have cancelled your insurance cover due to fraud, we will not pay any refund.

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 insurance cover will terminate and a Premium refund may be payable (refer to the "Cancellation of your insurance" section), if:

- You no longer reside in Australia; or
- Your Finance Contract is discharged.

This insurance cover will terminate and no Premium refund will be payable if:

- The Period of Insurance expires; or
- We have paid all amounts we are obliged to pay under this insurance.

DISPUTE RESOLUTION

Eric is committed to providing a great range of products and services to our customers. Eric is a signatory to the General Insurance Code of Practice and follows the Complaints process outlined in the Code. Please talk to us using the details set out below if at any time we have not satisfied your expectations. Most times we will be able to resolve your concerns upon initial contact.

Post: PO Box 9106, Scoresby VIC 3179
Phone: 1800 999 977
Web: www.ericinsurance.com.au
Email: info@ericinsurance.com.au

If we are unable to resolve your concern, please ask to speak to our Customer Resolution Leader (CRL) who will register your complaint and conduct an initial review of the matter and provide a recommendation to you.

If at this point the CRL recommendation has not resolved your complaint to your satisfaction, you may wish to request a final internal review by Eric's Internal Dispute Resolution (IDR) Committee. Our dispute resolution procedure is free of charge to you.

A dispute can be referred to the Australian Financial Complaints Authority (AFCA). It provides a free and independent dispute resolution service for consumers who have general insurance disputes falling within its terms. Their contact details are:

Phone: 1800 931 768
Post: GPO Box 3, Melbourne, Victoria 3001
Web: www.afca.org.au

FINANCIAL CLAIMS SCHEME

This insurance cover may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS), administered by the Australian Prudential Regulation Authority (APRA). The FCS applies in the unlikely event of insurer insolvency if the Federal Treasurer declares that the FCS will apply to the insolvent insurer.

The FCS entitles certain persons, who have valid claims connected with certain protected policies issued by that insurer to be paid certain amounts by APRA. Information about the FCS can be obtained from APRA at www.fcs.gov.au or by calling 1300 55 88 49.

GST

Any claim payments we make will be based on GST inclusive costs. If you are entitled to claim an input tax credit for any claim paid under this insurance, we will reduce the claim payment by the amount of such input tax credit.

If you are registered for GST, you must advise us of your correct input tax credit percentage. You are liable for any GST liability we incur arising from your incorrect advice or failure to advise us of your GST situation.

WHAT DO WE MEAN BY THAT?

Certain words used in this document have special meanings. These words and their meanings are listed below:

Disability, Disablement and Disabled: An injury or sickness that renders you incapable of continuous performance of the duties of any occupation for which you are reasonably qualified by education, training or experience as certified by a Medical Practitioner.

Employment: You are working on a continuous basis for reward for a minimum of 20 hours each week:

- In full time or permanent part time employment; or
- In casual employment, provided you have been in continual employment for least 12 months prior to any claim under this insurance. For the avoidance of doubt, a break in casual employment of no greater duration than 4 weeks in the 12 months prior to any claim under this insurance is permissible.

and you are not in employment of a seasonal or temporary nature.

Endorsement: An additional term or condition applied by us or an alteration requested by you and agreed to by us. An Endorsement may be sent as a separate document or may be described on the Policy Schedule.

Excess Period: The period of time during which a benefit will not be paid being the first 21 days of your Disablement or Involuntary Unemployment .

Finance Contract: The legal agreement with the Financier which describes the terms and conditions under which the funds were provided to you for the purchase of the Vehicle, as described on the Policy Schedule. The agreement must have the Vehicle listed as security for the funds provided under the agreement.

Financier: The finance company or credit institution named in the Policy Schedule with whom you have entered into a Finance Contract.

Intermittent: In relation to Employment, occurring at irregular intervals; not continuous or steady. Including but not limited to temporary or seasonal employment.

Involuntary Unemployment and Involuntarily Unemployed: You become unemployed and remain unemployed for no less than the Excess Period, as a result of you being made redundant, retrenched, or your employer ceasing to operate. Your unemployment status is required to be certified by the appropriate government agency.

Medical Practitioner: 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: Your monthly repayment due to the Financier (**excluding any residual value or balloon payment**) under the Finance Contract as specified in the Policy Schedule.

Period of Insurance: The period during which cover is provided under this insurance. The Period of Insurance begins on the commencement date and ends on the expiry date, as stated on the Policy Schedule, unless this insurance cover ends earlier in accordance with its terms.

Policy Schedule: The most recent document we provide to you describing the terms and conditions specific to your insurance cover which includes your details, the Vehicle details, the policy number together with the details of cover, Premium, additional Interest Charges (if applicable) and other policy details. This document also provides you with confirmation of your transaction.

Pre-existing Medical Condition: Any medical condition of which you were aware at the time of acquiring this insurance, or a reasonable person could have been expected to be aware at the time of acquiring this insurance, and which existed in the 12-month period prior to the commencement of the Period of Insurance.

Premium: The amount you pay for this insurance cover including amounts payable by us in relation to any compulsory Government charges such as Stamp Duty, GST and levies if applicable. This amount does not include the additional Interest Charge payable by you if you choose to pay your Premium by instalments.

Purchase Price: The amount paid for the Vehicle as shown on your contract of sale, including:

- Registration;
- Dealer delivery fees;
- Statutory insurance; and
- Government taxes and charges.

Vehicle: The Vehicle described in the Policy Schedule (including any fitted modifications and accessories).

We, us and our: The issuer and insurer of this policy, Eric Insurance Limited ABN 18 009 129 793 AFSL 238 279.

You and your: The insured person/s named in the Policy Schedule and having a liability under the Finance Contract under which the Vehicle is secured.



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