

DIRECT

Warranty Insurance



COMBINED PRODUCT DISCLOSURE STATEMENT
AND FINANCIAL SERVICES GUIDE



eric

Motoring Insurance Specialist

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Part B: Financial Services Guide

Part A:

Product Disclosure Statement

INTRODUCTION

Please take your time to read through this document carefully and keep it in a safe place as it contains important information about the extent of your insurance policy and any limitations.

Under the Australian Consumer Law (ACL), your Vehicle comes with guarantees that cannot be excluded. This insurance provides benefits which may overlap with guarantees set out in the ACL, however this insurance also provides you with benefits that are in addition to your rights and remedies under the ACL. In summary, these additional benefits include:

- Cover for costs relating to towing, car rental, Total Loss Expenses and accommodation.
- Ease of claims lodgement – simply take the Vehicle to a Repairer, provide them with your insurance cover details and the claim lodgement will be taken care of for you.
- Speed of claim approval – the majority of reported claims are assessed on the same day the claim is reported, so approved repairs are acted on quickly and you get your Vehicle back on the road as soon as possible.
- Transfer of policy – we may approve transfer of this insurance to the new owner upon private sale of your Vehicle.
- Complaints and dispute handling process – if you are not satisfied in any way with this insurance cover, the quality of repairs or our service, we have an easy to follow process to help with your complaint, please contact us on 1800 999 977.

Our staff are fully trained and can assist you in relation to this product.

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

Preparation date 9th April 2021 VB2CMVIWAR3S090421

YOUR PRODUCT DISCLOSURE STATEMENT (PDS)?

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

The information in this PDS was current at the time of its preparation. We may make changes to the information in it without notifying you where that information is not materially adverse to you.

In all other cases, we will issue you with a replacement or Supplementary PDS. If you wish to obtain confirmation of the current terms of this PDS at any time during your insurance, please contact us and we will provide you with an electronic copy free of charge.

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

Please note this insurance is optional. You are not required to hold this insurance for finance or any other reason.

ERIC INSURANCE LIMITED (eric)

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.

Please contact eric directly if you would like to discuss this insurance, ask a question, advise a concern or make a complaint.

We always want to hear from you!

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

You do not need to appoint a paid representative for any reason to lodge a complaint or manage your claim so please contact us directly to discuss your concerns so that we can deal with them in the most efficient and cost-effective manner for you.

OUR AGREEMENT WITH YOU

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 policy; and
- Any Endorsement or Supplementary PDS which we may send to you.

We will always be honest, efficient, fair, transparent, and timely in our dealings with you.

HOW TO APPLY

To apply for this insurance, you will need to complete our online application.

Your answers to the questions we ask are relied on by us and are used to evaluate your application. Refer to the section of this PDS under the heading "We rely on the information you provide us".

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

ELIGIBILITY

To be eligible to purchase this insurance the following criteria must be met:

- You must be at least 18 years of age.

This insurance specifically excludes any Vehicle that is let on hire or is being used for carrying passengers for hire or reward. This includes taxis, rental vehicles or rideshare. It also specifically excludes courier or delivery Vehicles, including fast food delivery.

The age and Kilometre limitations at the time of purchase of this Policy are as follows:

Cover Level	Age of Vehicle (from date of 1st Registration)	Kilometre Limitation at the time of purchase
3 Star	Up to 12 Years	200,000Kms

COOLING OFF PERIOD

You can cancel your policy within 21 Calendar Days of the date your policy commences (**cooling-off period**) by contacting us by telephone, email or mail, and unless you have made a claim, we will refund the Premium in full.

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

THE PERIOD OF YOUR INSURANCE COVER

THE COMMENCEMENT DATE OF YOUR COVER

Your insurance cover will commence on the later of:

- The date that any Manufacturer Warranty or Dealer Warranty expires; or
- The expiry of 90 days after the Policy Schedule is first issued to you.

If no Manufacturer Warranty or Dealer Warranty exists, your cover will commence on the earlier of:

- The expiry of 90 days after the Schedule is first issued to you; or
- When the Vehicle has travelled 5,000 kilometres from the date of purchase of this insurance.

YOUR WARRANTY COVER

If a Covered Component suffers a Mechanical Breakdown during the Period of Insurance, then subject to these terms and with regard to your circumstances, we will either:

- Repair;
- Replace; or
- Pay for the reasonable cost to repair or replace,

the Covered Component up to the Maximum Benefit.

If Covered Components require replacement, we will at our election, utilise components that will be consistent with the age or condition of your Vehicle, including parts not manufactured by the original Manufacturer. All replaced components come with our Quality Guarantee.

MAXIMUM BENEFIT

The maximum amount payable by us under this insurance cover (Maximum Benefit) during the Period of Insurance is limited to the Market Value of your Vehicle irrespective of the number of claims made under this insurance cover. The maximum benefit applicable per claim is \$2,500.

Cover Level	Maximum Claim Benefit	Maximum Policy Benefit
3 Star	\$2,500*	Market Value

*This benefit relates to a claim lodged for mechanical breakdown. In the event of a claim for a total loss additional benefit, please refer to the table on page 3 for maximum claim benefits.

SERVICE REQUIREMENTS

It is a condition of this insurance cover that the Vehicle is maintained in a roadworthy, mechanically sound condition and serviced regularly in accordance with the Manufacturer's recommendations. If you are uncertain about the recommendations, please contact the Manufacturer to ascertain the recommended servicing schedule for your Vehicle.

A Repairer must carry out any service or repairs and the service records must be made available upon request.

As soon as you or the Repairer become aware of any defect or fault with the Vehicle, you must take all immediate and necessary steps to avoid additional damage to the Vehicle. Failure to do so which results in an increase in the amount of the claim value will result in a contribution on your behalf.

We may refuse or reduce a claim where we determine under the advice from an authorised Repairer, that the Mechanical Breakdown was caused directly as a consequence of you not meeting these service requirements. If we become aware that you have not maintained regular servicing of your Vehicle, you can elect to:

- Continue with your insurance, however claims for Covered Components that result from your failure to maintain regular servicing will not be covered, or
- Cancel this insurance (refer to "Cancellation of your insurance" section).

COVER PROVIDED

3 Star Cover provides Cover for items listed in the following schedule of Covered Components. Cover is provided subject to the Policy Exclusions, and any item not specifically listed is not covered by this Policy:

ENGINE

Piston, piston rings and gudgeon pins, crankshaft, camshaft, lifters and push rods, connecting rods and bearings, timing chains, guides, gears, rocker arms and valves, valve guides, oil pump, engine cylinder head(s) and engine block.

TRANSMISSION

All lubricated internal components excluding: Torque converter, casings, clutch plate, pressure plate and release bearings.

CLUTCH

Master cylinder and slave cylinder.

DIFFERENTIAL-DRIVE LINE

All internal parts, half shafts, universal joints, wheel bearings, tail shaft centre bearings, CV joints, except where the CV boot is damaged or split.

FRONT STEERING

Manual – All internal lubricated components contained within the steering box. Power-Steering Box, rack and pump, excluding pipes, hoses and oil leaks.

BRAKES

Calipers, wheel cylinders, master cylinder.

ELECTRICAL

Alternator, starter motor and starter solenoid. Wiper motors.

AIR CONDITIONING

Compressor, condenser and evaporator. Cover is provided only if the unit was supplied by the manufacturer of the Vehicle.

TRANS-AXLE ASSEMBLY

Complete internals, constant velocity joints. Excludes failure of constant velocity joints if torn or damaged protection boots and casing damage.

FUEL SYSTEM

Fuel pumps, fuel injection pump (petrol and diesel) pressure regulator.

FRONT SUSPENSION

Front wheel bearings, top and bottom ball joints, McPherson struts, but not airbags.

COOLING SYSTEM

Radiator, water pump and thermostat (excluding thermostat housing).

These parts are covered during the Period of Cover provided that Your Vehicle has only been used in the manner for which that model, class and type of Vehicle is designed and has been regularly and competently serviced in accordance with the requirements of this Policy under the heading - Service Requirements.

INCLUDED BENEFITS

Upon acceptance of your claim, the following benefits may be claimed by you, upon the submission of receipts or invoices:

ACCOMMODATION

Up to a maximum of \$500 during the Period of Insurance, if your Vehicle is immobilised beyond 100kms from your home address and repairs are not completed on the day of authorisation.

CAR RENTAL

Up to a maximum of \$500 during the Period of Insurance, if your Vehicle is immobilised for more than 2 consecutive business days after repairs are authorised.

TOWING

Up to \$100 for any one claim, subject to a limit of \$300 during the Period of Insurance.

QUALITY GUARANTEE

We guarantee all parts which have been authorised by eric insurance related to your mechanical breakdown claim. These parts are guaranteed for the life of the policy or manufacturers guarantee, whichever is the greater

ADDITIONAL BENEFIT

TOTAL LOSS EXPENSES

In the event that your Vehicle becomes a Total Loss during the Period of Insurance we will pay you up to \$5,000 towards the cost of your incurred expenses. Incurred expenses are expenses which are directly incurred as a result of the Total Loss of the Vehicle. These expenses are limited to:

- Travelling expenses;
- Overnight accommodation;
- Car hire;
- Meals; and
- Phone calls.

The maximum amount we will pay for this benefit is dependent on the Market Value of your Vehicle:

Market Value	Benefit Limit
Up to \$20,000	\$2,000
\$20,001 to \$35,000	\$3,000
\$35,001 to \$50,000	\$4,000
\$50,001 +	\$5,000

This benefit should be applied for within 6 months of the Vehicle becoming a Total Loss, and all expenses claimed must be supported by relevant receipts.

Benefit payments are not payments which in any way relate to any property mortgaged to the Financier.

WHAT YOU ARE NOT INSURED FOR

The following are not covered:

- Damage to the Covered Components as a result of:
 - Overheating;
 - Impact or a road traffic accident;
 - Modifications to the Vehicle;
 - Non-Manufacturer fitted parts, which have not been fitted to the Australian Design Rules;
 - Not being maintained in accordance with the service requirements of this insurance cover (see section titled 'Service Requirements');
 - Misuse, neglect, abuse or improper servicing or any repairs required as a result of continued operation of the Vehicle once a defect or fault has occurred;
 - Failure to maintain proper levels of fluids, fuels, lubricants or coolants or contamination of fluids;
 - Use of incorrect types and grades of fuel, oil or lubricants or any contaminated fuel, oil or lubricants;
 - Corrosion, rust, fire, illegal use (including damage as a result of the theft of the Vehicle), malicious damage, impact, accident, earthquake, Flood or other occurrence of nature, riot or civil commotion, war, terrorism, invasion, strikes or resulting from nuclear fission, fusion or radioactivity;
 - The Vehicle being fitted with an LPG unit other than a unit supplied, fitted and endorsed by the Manufacturer; or
 - Normal Wear and Tear or the gradual reduction in operating performance of the Vehicle or Covered Component; or
 - CV joints or any shafts where the dust boot is damaged.
- Any faults that existed prior to the commencement of cover. These include faults during the Manufacturer's Warranty and /or Dealer Warranty period;
- Any repairs where we have not been provided the opportunity to assess the damage/fault for the purpose of determining that the repair/replacement was required to remedy to fault;
- Tyres or wheels (unless covered elsewhere in the insurance), batteries, mechanical adjustments, exhaust system components, replacement or other servicing (including items scheduled as routine servicing by the Manufacturer) which in the judgement of the Manufacturer are made or should be made as maintenance;
- Parts subject to recall by the Manufacturer, component parts or design elements which are found to have been an inherent design fault, including parts subject to:
 - An Australian Competition and Consumer Commission (ACCC) recall;
 - A Manufacturer recall; or
 - Any notice of faults issued by the Manufacturer;
- Noisy parts or components, in the absence of their failure;
- Any tappings, threads, fixings and/or fastening devices or repairs as a result of these components not being fitted correctly;
- Interior trim components, including but not limited to seats, seat belts (excluding mechanical and electrical components), cup

holders, ashtrays, components made of glass and/or decorative components;

- Paintwork, panel and bodywork and all related Vehicle components (including but not limited to) lamps and lamp units, weather-strips and seals, components made of glass, and/or any exterior trim or decorative components; or
- Unless expressly included by this insurance, all or any consequential financial or non-financial loss, damage or liability of any kind incurred as a result of the incident giving rise to a claim, except unavoidable mechanical damage caused by the failure of a Covered Component.
- Subsequent mechanical damage to components caused by the failure of the Covered Component where you continue to operate your Vehicle, except where:
 - You could not have prevented the subsequent mechanical damage; or
 - You could have prevented the subsequent mechanical damage and took the steps which a reasonable person in the circumstances would have taken to prevent it.
- Costs associated with or related to:
 - Software upgrades/updates, unless required due to the replacement of a Covered Component;
 - Improving or reconditioning the Vehicle or parts to a condition superior to that at the time of purchase; or

Costs associated with or related to diagnosing, dismantling and reassembling the Vehicle, unless accepted as part of an authorised claim.

Where we need to dismantle your Vehicle to diagnose for the purpose of assessing your claim, we may ask you to contribute if it becomes apparent the claim is not a successful claim;

In this circumstance we will;

1. Ask your permission to dismantle the Vehicle;
2. Give you an estimated cost of the cost to dismantle and diagnose;
3. Make clear to you that those costs will not be reimbursed if there is no successful claim.

We will not pay a claim if your Vehicle is:

- Used in competitions, rallies, racing, pace making, reliability trials, speed or hill climbing;
- Carrying and/or towing loads above the gross combination weight of the trailer and your Vehicle, as specified by the Manufacturer;
- A rental vehicle;
- Carrying passengers for hire or reward;
- Used for the purposes of:
 - Deliveries or as a courier vehicle;
 - Police or emergency;
 - Driver instruction or tuition for reward; or
 - Mining and or excavation activities.
- Un-roadworthy or unregistered;
- Being used outside of Australia at the time of the event resulting in a claim under this insurance cover, or
- Operating with an odometer reading that cannot be accurately determined, where it can be evidenced that the odometer has not been accurately represented or has been tampered with.

HOW TO MAKE A CLAIM

You can ask us if your insurance covers a particular loss before you make a claim. When we answer your question, we will not discourage you from making a claim and we will tell you that if you make a claim, we will fully assess if your loss is covered.

Please contact us on **1800 999 977** as soon as something happens that you believe you can claim for.

If you make a claim, we will tell you:

- our claims process,
- any excess or waiting period applicable (if any apply), and

- how to contact us regarding your claim.

If your Vehicle suffers a Mechanical Breakdown:

- Take your Vehicle to any Repairer;
- Have the Repairer diagnose the fault;
- The Repairer should then contact us on 1800 999 977 and provide their diagnosis of the problem, its cause and the estimated cost of parts and labour;
- We will consider the claim, and if required request relevant service records. Additionally, we may request the opportunity to inspect the faulty components.
- If your claim is accepted, we will provide the Repairer with approval in the form of an authorisation number; and
- Upon completion of repairs, the Repairer must send their invoice to PO Box 9106, SCORESBY VIC 3179. The invoice must show the number of hours, hourly rate, cost of individual parts, copies of any sublet invoices and the authorisation number.

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

When assessing your claim, we will only ask for and rely on documents and information relevant to our decision. If we ask you for documents and information, we will tell you why we need them.

If there is a fee for a document (for example a fee for a driving history record), eric may ask you to cover the cost upfront and if the claim is accepted, eric will reimburse you for the reasonable costs incurred in obtaining the record.

If you make a claim and we need further information or assessment, then we will in a timely manner:

- tell you any information we need to decide on your claim. We will use our best endeavours to do that in one request, and
- provide our estimate of the likely timeframe and process for us to decide on your claim.

When we assess your claim, we will consider all relevant facts, the terms of your insurance and the law.

We will regularly keep you informed of the progress of your claim and respond to your enquiries about your claim's progress promptly.

CONTRIBUTION

You may be asked to contribute towards the repair costs if:

- The repairs being performed will restore the Vehicle to a better condition than that immediately prior to the Mechanical Breakdown; or
- The total cost of repairs exceeds the Maximum Benefit, in which case you shall be liable for such additional costs.

CLAIMS FOR TOTAL LOSS EXPENSES

You will be required to provide documentation satisfactory to us to confirm that the Vehicle has been deemed a Total Loss and that you have suffered a loss in the form of the expenses covered under this benefit, before any payment will be made.

If you nominated to pay your Premium by instalments, any outstanding Premium will be deducted from the Total Loss Expenses benefit.

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 cooperate with us and provide any information we may require.

All displaced parts become our property.

CLAIM DECISION

We and our service suppliers will treat you and your claim respectfully and with sensitivity.

Once we have all relevant information and have completed all enquiries, we will decide whether to accept or deny your claim and we will tell you of our decision promptly.

Our decision will generally be made promptly within 4 months of receiving your claim. However, if:

- your claim arises from an extraordinary catastrophe,
- your claim is fraudulent, or we reasonably suspect it is fraudulent,
- you, or your representative, do not respond to our reasonable inquiries or to our requests for documents or information about your claim,
- we have difficulty communicating with you about your claim due to circumstances beyond our control, or
- you request a delay in the claims process,

then we will tell you our decision in writing within 12 months of receiving your claim.

If we do not decide within these timeframes, we will tell you in writing about our Complaints process.

INFORMATION WE GIVE YOU IF WE DENY YOUR CLAIM OR DO NOT PAY IN FULL

If we deny your claim, or do not pay it in full, then we will advise in writing:

- the aspects of your claim that we do not accept,
- the reasons for our decision,
- that you have the right to ask us for the information about you that we relied on when assessing your claim,
- that you have the right to ask us for copies of any service suppliers' or external experts' reports that we relied on, and
- about our Complaints process.

If you ask for information or for copies of any service suppliers' or external experts' reports that we relied on, then we will give you that information or report within 10 Business Days.

CHANGES TO TIMEFRAMES

If any of the timeframes set out in the How to Make a Claim and Claim Decision sections above are not practical due, for example, to the complex nature of your claim, we will attempt to agree a reasonable alternative timetable with you. If we cannot reach an agreement on an alternative timetable, we will provide details of our Complaints process.

We will try to comply with the timeframes set out above unless we have complied with an alternative timetable to which you agreed, our conduct and the actual timeframe were reasonable in all the circumstances or the reason we did not comply with the timeframe was that a report from an external expert was delayed, even though we used our best endeavours to obtain the report in time.

CLAIM EXAMPLE

CLAIM EXAMPLE

Whilst on holiday interstate, the water pump in the Vehicle fails. You arrange to tow the Vehicle to a nearby Repairer who informs you that repairs will take 2 days and cost \$1,295.60.

You tell the Repairer that you have an eric extended warranty, and they contact us. After we have provided with all the required information including diagnosis of fault, the labour and parts cost, and a copy of the receipt for the towing, we provide the Repairer with an authority number to complete the repairs.

After repairs are completed, you continue your holiday. We pay the repairer \$1,370.60 which includes \$75 for towing. After your holiday, you submit receipts for accommodation costs incurred as a consequence of the Mechanical Failure of the water pump. As the Vehicle was immobilised more than 100kms from your home and repairs were not completed on the day of authorisation, we pay you \$200 towards your 2 nights' accommodation.

THE COST OF YOUR INSURANCE POLICY

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

- The risk profile determined by the information you provide to us,
- Your Vehicle being subject to a Finance Contract,
- The price you paid for the Vehicle,
- The length of remaining finance applicable to the vehicle,
- Government taxes and/or charges, and
- The method of payment you choose by which to pay the Premium, including payment by instalments.

You are not obliged to purchase this insurance as a condition of your finance. This insurance is not compulsory to the terms of any finance contract.

PAY YOUR PREMIUM BY INSTALMENTS

You can pay the Premium by instalment payments to help spread your payment over time. If you pay the Premium by instalment payments:

- You will be given and will enter into a Direct Debit Request Service Agreement (DDRSA);
- An Interest Charge will apply which will be set out in your Policy Schedule, and
- The Total Amount Payable will be more than if you pay the Premium in a single upfront payment.

If you make a claim which results in the termination of your insurance policy, we will deduct the instalment payments for the remaining Period of Insurance from any claim amount we pay.

OVERDUE INSTALMENTS

If you are paying the Premium by instalment payments and an instalment payment is overdue, we can do one or both of the following:

- Refuse to pay a claim if the instalment payment is 14 Calendar Days (or more) overdue;
- Cancel your insurance policy if the instalment payment is 1-month (or more) overdue.

In the absence of an instalment payment being made, we will send you notice that your instalment has not been paid and advise you that we will cancel your insurance policy if the instalment remains unpaid 1-month after the instalment payment due date, without notice to you.

If we cancel your insurance policy because an instalment payment is unpaid, your policy will end on the date of cancellation (see Cancellation by Us below for details).

If you are paying the Premium by instalment payments, please refer to the Direct Debit Request Service Agreement which sets out the terms and conditions applicable to your instalment payment arrangement.

WE RELY ON THE INFORMATION YOU PROVIDE US

When we agree to insure you, vary your insurance policy or decide on your claim, our decision relies on the accuracy of the information you give us. If that information is not accurate, we may reduce or deny a claim, or cancel this insurance, in accordance with the law and this PDS.

It is very important that you answer honestly, completely and accurately the questions we ask about you, your driving history, your Finance Contract, the Vehicle, your claim or any events that may result in a claim on your policy.

You must be honest, complete and accurate in all interactions we have with you in relation to this insurance. If you are not, we may reduce or deny a claim or cancel your insurance, in accordance with the law and this PDS.

APPLYING FOR INSURANCE

If we are assessing your application for insurance, then we will ask for and rely on information and documents only if they are relevant to our decision.

Where we identify, or you tell us, about a mistake in your application or in the information or documents we have relied on in assessing your application, we will immediately take action to correct it.

If we cannot provide you with insurance, we will:

- give you our reasons for that decision,
- tell you about your right to ask us for the information we relied on when assessing your application – if you ask us for that information, then we will give it to you,
- refer you to either the Insurance Council of Australia or the National Insurance Brokers Association of Australia for information about your options for alternative insurance, or approaching another insurer or another broker, and
- give you information about our Complaints process if you tell us you are unhappy with our decision.

NOTIFYING US OF CHANGES

You must inform us immediately if any of the following circumstances apply to you:

- There is a change in your personal details, including but not limited to contact details, garaged address, and residential address,
- There are changes to the Vehicle or Vehicle use,
- There are changes to the Finance Contract (it is terminated, varied, paid out or in breach), or
- You are no longer the owner of the Vehicle.

If any of the above circumstances change please contact us to confirm if this affects your policy.

Depending on the information you provide, we may propose changes to your policy, including to the Premium.

If you do not provide this information to us immediately, we may be entitled to reduce or deny a claim made by you or anyone else insured by this insurance, in accordance with the law and this PDS.

CANCELLATION OF YOUR POLICY

CANCELLATION BY YOU

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

CANCELLATION BY US

We may cancel this insurance, if permitted by law, if you:

- Made a misrepresentation before entering this insurance policy,
- 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 policy or another insurance policy.

If you are paying the Premium by instalment payments and we have not received an instalment payment, we will:

- send you a notice in writing regarding your non-payment requesting payment and advising you that we will cancel your insurance policy if the instalment remains unpaid 1-month after the instalment payment due date,
- if payment is not made within 1-month of the instalment payment due date, send you a further notice confirming cancellation of your Instalment Policy.

ON CANCELLATION

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

If you are entitled to a refund and you cancel your policy, we will return the amount within 15 Business Days.

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

If the refund amount is less than any non-refundable taxes and charges, a refund will not be issued and we will not charge you an additional amount to cover the difference.

Where the Premium has been financed, you authorise us to pay any refund direct to the Financier unless the Financier otherwise authorises in writing the refund to be paid direct to you.

Where we have paid all amounts we are obliged to pay under this insurance, we will cancel the policy and we will not pay any refund.

TERMINATION

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

- The Vehicle is sold and no valid Transfer of Ownership Form is received and accepted by us within the time frame noted in the "Transfer of ownership" section.

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

- The Period of Insurance expires;
- Upon reaching the kilometre limitation as specified in the Policy Schedule;
- We have paid the Maximum Benefit under this insurance; or
- The Vehicle is deemed a Total Loss and we have paid a claim under the Total Loss Expenses Benefit.

No refund of Premium is available if we have paid out the maximum benefit prior to the expiry of the Period of Insurance as shown on the Policy Schedule.

TRANSFER OF OWNERSHIP

A request to transfer ownership must be received and accepted by us within 14 days of the Vehicle sale.

To request transfer, please complete the Transfer of Ownership Form contained in this document and send it to us together with:

- A copy of the Vehicle service records, and
- The transfer fee of \$99.

If we accept the transfer, we will send you a confirmation and a new Policy Schedule will be forwarded to the new owner.

Transfer is not available if the Vehicle is sold to or through a motor dealer or trader.

COMPLAINTS

eric is committed to providing a great range of products and services to customers that provide value and benefit to them.

Please talk to **us** using the details set out below if at any time we have not met your expectations. Most times we will be able to resolve your complaint quickly when you raise it with us. By contacting eric direct to resolve a complaint or dispute you may avoid unnecessary delays and costs.

Email: info@ericinsurance.com.au

Phone: 1800 999 977

Post: PO Box 9106, Scoresby VIC 3179

Web: www.ericinsurance.com.au

If we are unable to resolve your Complaint, please contact our Customer Resolution Team at complaints@ericinsurance.com.au or 1800 999 977.

When we receive your Complaint, we will acknowledge that we have received it.

- We will tell you the name and relevant contact details of the person assigned to liaise with you about your Complaint.
- Your Complaint will be handled by a person with appropriate authority, knowledge, or experience. This will not be the person whose decision or conduct is what your Complaint is about.
- When we are considering your Complaint, we will only ask for, and rely on, information that is relevant to our decision.
- We will keep you informed about the progress of your Complaint.

DECISION

- Our written response to you will include the reasons for our decision and inform you of your right to take your Complaint to our Internal Dispute Resolution Committee or the Australian Financial Complaints Authority if you are not satisfied with our decision. We will provide you with its contact details and the timeframe in which you are able to complain to it.
- We will try to decide on your Complaint within 30 Calendar Days. If we cannot make our decision within this timeframe, then before this deadline passes we will tell you, in writing, the reasons for the delay and about your right to take your Complaint to our Internal Dispute Resolution Committee or the Australian Financial Complaints Authority, and its contact details.
- When we have made a final decision about your Complaint, we will provide a clear response to you in writing.
- We will give you the information that we relied on when making a decision about your Complaint promptly.
- If it is identified that we have made a mistake when handling your Complaint, then we will take action to correct the mistake.

AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY

- We are part of an independent external dispute resolution scheme administered by the Australian Financial Complaints Authority. The scheme is for customers and third parties as allowed under its Rules.
- You can take your Complaint to the Australian Financial Complaints Authority at any time, including if we do not resolve your Complaint within 30 Calendar Days after we first received your Complaint.
- Under the Australian Financial Complaints Authority's Rules, your Complaint may be referred back to us if it has not gone through our Complaints process.
- The Australian Financial Complaints Authority's decisions are binding on us in the way set out in their Rules.
- If the Australian Financial Complaints Authority tells you that under their Rules it cannot assist you or consider your dispute, then you can seek independent legal advice. You can also access any other external dispute resolution or other options that may be available to you.

The Australian Financial Complaints Authority can be contacted by:

Phone: 1800 931 768

Post: GPO Box 3, Melbourne, Victoria 3001

Web: www.afca.org.au

YOUR PERSONAL INFORMATION

HOW WE COLLECT, USE AND PROTECT YOUR PERSONAL INFORMATION

eric is 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 and administering your policy including assessing and paying claims as required. We may collect personal information directly from you or through our agents and distributors at the point of sale of your policy.

We may also use your personal information to inform you about other related insurance products or services which may benefit you (subject to your consent), 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 collect and use your personal information is set out in our Privacy Policy that is available on our web site www.ericinsurance.com.au/privacy-policy.

By providing us with your personal information, you agree to us collecting, holding, using and disclosing that information in accordance with our Privacy Policy.

ACCESSING YOUR PERSONAL INFORMATION

At your request, we will give you, free of charge, access to any information that we relied on in assessing your application for insurance, or in handling your claim, or in responding to a complaint.

The information you may access includes:

- documents and information we relied on to accept or deny your claim,
- copies of your product disclosure statement and insurance,
- copies of any reports from service suppliers or external experts that we relied on, and
- copies of any recordings and/or transcripts of any interaction we had with you that we relied on.

If we refuse to give you access to information, we will not do so unreasonably, and we will tell you our reasons for doing so and about our complaints process.

We may refuse to give you access to information in the following circumstances:

- where a law — for example, the Privacy Act 1988 — says we do not have to,
- in the case of a claim where the claim is being or has been investigated, and giving access would have an unreasonable impact on the privacy of other individuals or government agencies, or
- if doing so may be prejudicial to us in relation to a Complaint or a dispute about your insurance policy or your claim — however, even in this circumstance we must give you access to any external experts' reports we relied on but not investigator reports.

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.

The objectives of the 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 resolving Complaints you make about us, and
- To promote continuous improvement of the general insurance industry through education and training.

We will pursue the above objectives of the Code with regard to the law and acknowledging that every contract of insurance is a contract based on the utmost good faith.

A copy of the Code can be obtained [here](http://www.codeofpractice.com.au), at www.codeofpractice.com.au or by asking us.

The Code Governance Committee is the independent body that monitors and enforces insurers' compliance with the General Insurance Code of Practice.

Their purpose is to drive better Code compliance, helping the insurance industry to improve its service to consumers.

To find out more about the Code Governance Committee, visit <https://insurancecode.org.au/about/about-the-code-governance-committee/>.

FINANCIAL CLAIMS SCHEME

This insurance policy 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 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.

FINANCIAL HARDSHIP

Financial Hardship means you have difficulty meeting your financial obligations to us. You have a right to ask us to fast-track a claim if you have an urgent financial need. You may be entitled to support because you are suffering Financial Hardship.

If you are experiencing Financial Hardship, please let us know so that we can tell you about the support we can provide to you.

A copy of eric's Financial Hardship policy can be obtained at www.ericinsurance.com.au or by asking us.

VULNERABLE CUSTOMERS

We are committed to taking extra care with customers who experience vulnerability. We recognise that a person's vulnerabilities can give rise to unique needs, and that their needs can change over time and in response to particular situations.

A person's vulnerability may be due to a range of factors such as:

- age,
- disability,
- mental health conditions,
- physical health conditions,
- family violence,
- language barriers,
- literacy barriers,
- cultural background,
- Aboriginal or Torres Strait Islander status,
- remote location, or
- financial distress.

We encourage you to tell us about your vulnerability so that we can work with you to arrange support – otherwise, there is a risk that we may not find out about it.

If you tell us, or we identify, that due to a vulnerability you need additional support or assistance, we will work with you and try to find a suitable, sensitive and compassionate way for us to proceed.

We will do this as early as practicable and we will protect your right to privacy.

If you tell us, or we identify, that you need additional support from someone else (for example, a lawyer, consumer representative, interpreter or friend), then we will recognise this and allow for it in all reasonable ways. We will try to make sure our processes are flexible enough to recognise the authority of your support person.

Additional support may include making it easier for you to communicate with us, referring you to a financial counsellor or an appropriate community support service.

A copy of eric's Family Violence policy can be obtained at www.ericinsurance.com.au or by asking us.

GST

Any claim payments we make will be based on GST inclusive costs. If you are entitled to claim any input tax credit for any claim paid under this insurance, we will reduce any 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:

Covered Component(s): Are the listed components outlined under the heading Cover Provided.

Dealer Warranty: The minimum statutory warranty obligations of motor Vehicle dealers as dictated by legislation in each state and any express warranty coverage provided by the dealer.

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.

Family Member: A spouse, de facto partner, parent, parent-in-law, daughter, son, daughter-in-law, son-in-law, brother, sister, brother-in-law, sister-in-law, grandchild, grandparent, stepparent, stepchildren, fiancé or fiancée or guardian.

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

Flood: The covering of normally dry land by water that has escaped or been released from the normal confines of any of the following:

- A lake, river, creek or other natural watercourse, whether or not it has been altered or modified; or
- A reservoir, canal or dam.

This insurance does not cover loss or damage caused by or arising from Flood.

Glass's AutoEdge: An Australian automotive reference publication which provides valuations for vehicles in different conditions.

Insurance Charge: The amount you pay for this insurance cover prior to any compulsory Government charges such as Stamp Duty, GST and levies if applicable.

Interest Charge: The additional charge payable by you if you choose to pay the Premium by instalments. This amount is a separate charge and does not form part of the Premium you pay for this insurance cover.

Manufacturer: The manufacturer of the Vehicle.

Manufacturer Warranty: The original warranty coverage for the Vehicle provided by the Manufacturer as an express warranty from the date of registration of the Vehicle.

Market Value: The Vehicle value determined by us at the time of a claim in accordance with the retail value of the current edition of the Glass's AutoEdge, for a Vehicle which is the equivalent age, make, condition and model as your Vehicle.

Maximum Benefit: The maximum amount payable in the event of any or all valid claims made under this insurance cover.

Mechanical Breakdown: The sudden and unforeseen failure of a Covered Component of the Vehicle as a result of a defect in workmanship or defective material(s). It does not include any failure otherwise excluded by the insurance cover, such as by Normal Wear and Tear, normal deterioration or negligence (refer to the section 'What you are not insured for').

Modifications: Any change or alteration to the Vehicle beyond the Manufacturers original specifications.

Normal Wear and Tear: The gradual reduction in operating performance of a Covered Component of the Vehicle, having regard to the age of the Vehicle and the distance it has travelled.

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.

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.

Repairer: A registered mechanical automotive repair business employing at least one fully qualified automotive mechanic and who has the relevant equipment and skills to carry out all maintenance and repair work to the standard of the Manufacturer of the Vehicle. It does not include you or a Family Member.

Total Amount Payable: Your Premium and Interest Charges payable (if applicable) shown on your Policy Schedule.

Total Loss: Following an accident, the Vehicle is considered damaged beyond economical repair by a licensed motor vehicle assessor engaged by an insurer or is stolen and not recovered.

Vehicle: The Vehicle described in the Policy Schedule.

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

You, you and your: The insured person named in the Policy Schedule or any other party having a liability under the Finance Contract under which the Vehicle is secured.

TRANSFER OF OWNERSHIP FORM

If you sell your Vehicle privately within the Period of Insurance, subject to our approval, this insurance cover is transferable. Transfer is not available if the Vehicle is sold to or through a motor dealer or trader.

To request transfer, please complete this form within 14 days of the Vehicle sale and send it to:

The Administrator
PO Box 9106
SCORESBY VIC 3179

together with:

- a copy of the Vehicle service records, and
- the transfer fee of \$99.

Payment of the transfer fee can be made either via Cheque or Direct Credit. Please indicate your payment method:

- By Cheque enclosed payable to: **Eric Insurance Limited**
- By Direct Credit to Account: **Name: Eric Insurance Limited BSB : 013-006 ACC No: 835 466 087**

Please provide your policy number as the transaction reference.

I confirm that I have sold my Vehicle and request that this insurance cover be transferred to the new owner shown below:

Policy Number: _____ Date of Transfer: _____

Current Owner Details

First Name: _____ Last Name: _____

Address: _____ City: _____ State: _____

Postcode: _____ Phone: _____

Vehicle Details

Vin No: _____ Reg No: _____

Make and Model: _____ Kms at sale date: _____

New Owner Details

First Name: _____ Last Name: _____

Address: _____ City: _____ State: _____

Postcode: _____ Phone: _____

Occupation: _____

- Use of Vehicle:** Private Racing, rallies, trials, etc. Car rental Carrying passenger for hire or reward
- Delivery or courier use Driver instruction or tuition for reward Mining or excavation activities
- Outside Australia Carrying loads above the gross combination weight of trailer and Vehicle



Motoring Insurance Specialist

ericinsurance.com.au
1800 999 977

PO Box 9106
Scoresby Victoria 3179
ABN 18 009 129 793 AFS Licence No: 238279

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 our staff may be remunerated, 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 15 July 2019.

Distribution of this FSG has been authorised by Eric.

Your questions	Our Answers
Who is providing the financial service?	The services described in this Financial Services Guide are provided by Eric Insurance Limited ABN 18 009 129 793 AFS License No: 238279 (Eric).
Who is Eric?	<p>Eric Insurance Limited is the APRA and ASIC regulated licensee. Whilst Eric is exempt from the need to have ASIC approved professional indemnity insurance, Eric holds adequate professional indemnity insurance. Its contact details are:</p> <p style="text-align: center;">Address: PO Box 9106 Scoresby, VIC 3179 Phone: 1300 489 685</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 only) products.</p> <p>Eric underwrites motor trade related insurances for wholesale and retail clients. Depending on the scope of their authorisation, Eric's authorised representatives can assist you with a wide range of general insurance products.</p>
What remuneration is payable in relation to the financial services we provide?	<p>You will be charged an agreed premium for the Product that you select, which will include relevant fees, taxes, duties and charges. Any such fee we charge is detailed in this FSG. We will calculate and inform you of the premium prior to purchasing the selected Product.</p> <p>Our staff who provide the authorised financial services are paid a salary for their services and may also receive bonuses based on the volume of sales of all financial products over a period. Eric may provide other benefits, such as profit-sharing arrangements, business related conferences, study trips or other functions. We (including our directors, staff and subcontractors) may also be eligible to qualify for other benefits such as awards or hospitality events. These are provided to us at no additional cost to you.</p> <p>If you require further details about any of the above remuneration, please ask us within a reasonable time after receiving this FSG.</p>
What products are we authorised to provide?	<p>We are authorised to provide general advice about Eric Car Insurance - Direct, Motorcycle Insurance - Direct, Motor Vehicle Tyre & Wheel Insurance - Direct, Motorcycle Tyre & Wheel Insurance - Direct, Motorcycle Warranty Insurance - Direct, and Warranty Insurance - Direct.</p> <p>These products may only be purchased through our website, www.ericinsurance.com.au.</p> <p>Further information on our Products is available through the PDS available on our website.</p>

General financial product advice

Any financial product advice we may provide to you will be of a general nature only and has not taken your personal needs, objectives or financial situation into account. We therefore recommend that you carefully read the Product Disclosure Statement and Policy documentation provided by Eric and any other information before making your decision.

Authorised financial services

We are authorised to do the following: Arrange for the application for, acquisition, issue, variation or disposal of the financial products listed in this FSG. We are authorised to provide general financial product advice (but not personal financial product advice) in relation to the financial products listed in this FSG.

Emergency Services Levy explained for our customers in New South Wales. 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. Please see www.ericinsurance.com.au/support for more information

What happens if you have a complaint or dispute?

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

What compensation arrangements apply?

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.

How is my personal information dealt with?

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).

Where can you find further information?

If you require further information or would like to give us instructions, you can contact us on the number provided on the previous page of this document.