




Used Vehicle Warranty Insurance

Product Disclosure Statement
and Policy Document.



This Product Disclosure Statement (PDS) is issued by Allianz Australia Insurance Limited (Allianz) AFS Licence No. 234 708 ABN 15 000 122 850. Allianz is the Issuer and underwriter of the product and responsible for its content and any claim or benefit under this policy. In arranging this insurance, Esanda Finance Corporation Ltd ABN 64 004 346 043 Authorised Rep No. 2697421 (Esanda) is acting as an authorised representative of Allianz.

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Section A – About this Insurance

Introduction

Thank you for choosing Esanda Used Vehicle Warranty Insurance. Your used vehicle warranty allows you to extend the motor vehicle warranty for the pre owned vehicle you have purchased. You can choose from 12 month or 20,000km and 36 month or 60,000km extended cover for your vehicle, depending on the age of the vehicle and kilometres travelled.

Esanda have chosen Allianz, one of the largest general insurers in Australia to underwrite your policy. Allianz is a member of the Global Allianz Group which operates in more than 70 countries, providing protection to more than 80 million customers worldwide.

Our Product Disclosure Statement and Policy Document

This policy document is also a Product Disclosure Statement (PDS). A PDS is a document required by the Corporations Act and contains information designed to help you decide whether to buy the policy.

Understanding your policy and its important terms and conditions

To properly understand this policy's significant features, benefits and risks you need to carefully read:

- about the available type of cover and benefits in the relevant sections, including any endorsements (remember certain words have special meanings – see “Words with special meanings”);
- “When we will not pay your claim” section (this restricts the cover and benefits);

- “General conditions” and “Making a claim” sections (these set out certain obligations that you and we have. If you do not meet them we may be able to refuse to pay a claim); and
- “Other information” section (this contains important information on your duty of disclosure, our privacy policy and our dispute resolution process).

When you apply for the policy by completing our application we agree with you on things such as: the period of insurance; your premium; the vehicle the cover applies to; and whether any standard terms need to be varied (this may be by way of an endorsement). These details are recorded in the schedule we issue to you.

The base premium we charge you is based on your risk profile (e.g. the level of cover you choose and the type of vehicle). You will also have to pay any compulsory government charges (e.g. Stamp Duty and GST) (where applicable) plus any additional charges we tell you of. We tell you the total amount payable when you apply and if you effect cover, the amounts due will be confirmed in your schedule.

This policy sets out the cover we are able to provide you with. 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 have to bear part of any loss you are not covered for yourself.

You should also read the GST Notice in the “General Conditions” section to understand how GST is applied to a claim.

If you have any queries, want further information about the policy or want to confirm a transaction, please use the contact details on the back cover.

Cooling off period and cancellation rights

Even after you have decided, you have a *cooling off period and cancellation rights* (see “General conditions” section for details).

Preparation date 9/10/2008.

Updating the PDS

Information in the PDS may need to be updated from time to time. You can obtain a paper copy of any updated information without charge by calling us on the contact details provided on the back cover of this policy document. If the update is to correct the PDS, we will provide you with a new PDS or a supplementary PDS.

Who is the insurer?

The insurer is Allianz Australia Insurance Limited
AFS Licence No. 234708 ABN 15 000 122 850 of
2 Market Street, Sydney, NSW, 2000.

What is Esanda Used Vehicle Warranty Insurance?

Purpose of Esanda Used Vehicle Warranty Insurance

In summary, Esanda Used Vehicle Warranty Insurance is designed to:

- Provide cover for the repair or replacement of specified parts of your vehicle, in accordance with the cover provided by a manufacturer’s warranty or Statutory warranty; and

- Provide cover for the cost of towing, hire cars, travel and locksmith services in connection with the warranty work up to the limits (see pages 13 and 14 for cover details).

Not everything is covered

Not everything is covered by Esanda Used Vehicle Warranty Insurance. The above is only a summary and there are limitations. It is important that you carefully read your policy (in particular, Section B of this policy document) to understand the extent of cover and its limitations.

Eligibility

Eligibility to apply for Esanda Used Vehicle Warranty Insurance is dependant on the age of the vehicle and the number of kilometres registered on the vehicles odometer.

- 36 month or 60,000km Warranty

You can only apply for this warranty if the vehicle:

- is no more than 10 years old at the date you buy it, and
- has an odometer of less than 150,000 kilometres at the date you buy it, and
- has a carrying capacity not exceeding two tonnes, and
- is distributed by Alpha Romeo, Audi, BMW, Citroen, Chrysler, Daewoo, Daihatsu, Dodge, Fiat, Ford, Holden, Honda, HSV, Hummer, Hyundai, Kia, Lexus, Mazda, Mercedes, Mini, M.G., Mitsubishi, Musso, Nissan, Peugeot, Proton, Renault, Rover, SAAB, Seat, Skoda, Smart, Saanyong, Subaru, Suzuki, Toyota, Volkswagen, Volvo.

- 12 month or 20,000km Warranty

You can only apply for this warranty if the vehicle:

- is no more than 12 years old at the date you buy it, and
- has an odometer of less than 150,000 kilometres at the date you buy it, and
- has a carrying capacity not exceeding two tonnes, and
- is distributed by Alpha Romeo, Audi, BMW, Citroen, Chrysler, Daewoo, Daihatsu, Dodge, Fiat, Ford, Holden, Honda, HSV, Hummer, Hyundai, Kia, Lexus, Mazda, Mercedes, Mini, M.G., Mitsubishi, Musso, Nissan, Peugeot, Proton, Renault, Rover, SAAB, Seat, Skoda, Smart, Saanyong, Subaru, Suzuki, Toyota, Volkswagen, Volvo.

Section B – Your Policy

What your policy consists of

Your policy consists of:

- this printed Esanda Used Vehicle Warranty Insurance policy document which sets out details of your cover and its limitations, and
- the Esanda Used Vehicle Warranty Insurance schedule approved by us which sets out who is insured, the cover(s) selected, the period of insurance, the premium, the limits of liability and other important information. This is referred to as your schedule in the policy document.

You should carefully read and retain your policy document and your schedule. These documents should be read together as they jointly form the contract of insurance between you and us. Any new or replacement schedule we may send you, detailing changes to your insurance or the period of insurance will become your schedule, which you should carefully read and retain.

Our agreement with you

We will insure you in accordance with the cover detailed in your policy for the period of insurance shown in your schedule on the basis:

- that you have paid, or agreed to pay us the premium for the cover which your schedule indicates is in force,
- of the information provided by you in this Esanda Used Vehicle Warranty Insurance policy document which drew your attention to your Duty of Disclosure. If you failed to comply with your Duty of Disclosure we may be entitled to reduce our liability under the policy in respect of a claim or we may cancel your policy. If you have told us something which is

fraudulent, we have the option of cancelling your policy from the date of the agents signature as stated on the schedule.

For your assistance we have provided a full explanation of your Duty of Disclosure and the consequences of non-disclosure, under the heading “Your Duty of Disclosure”, on page 21.

Words with special meanings

Some of the words in your policy have special meanings wherever they appear. These words and their meanings are defined below.

“**period of insurance**” means the period from the time when the original manufacturers or Statutory Warranty, for the vehicle ends to the earlier of the following:

1. 36 months or 60,000 kilometre Warranty

- 36 months after the expiry of the original manufacturers or Statutory Warranty, or
- when the odometer reading reaches 60,000 kilometres more than the reading when the original manufacturer’s or Statutory Warranty ends.

2. 12 months or 20,000 kilometre Warranty

- 12 months after the expiry of the original manufacturers or Statutory Warranty, or
- when the odometer reading reaches 20,000 kilometres more than the reading when the original manufacturer’s or Statutory Warranty ends.

“we”, “our” or “us” means Allianz Australia Insurance Limited AFS Licence No. 234708, ABN 15 000 122 850 of 2 Market Street, Sydney, NSW, 2000.

“you” or “your” means the person(s) named in the current schedule as the insured.

“your vehicle” means the vehicle named in your schedule under “Vehicle Identification”.

What we will pay

1. Repairing or replacing parts of your vehicle

If during the period of insurance your vehicle requires repair or replacement of parts, which would have been covered by its original manufacturer's standard new car warranty if it had not expired, we will, at our option, either:

- a. repair; or
- b. replace the parts requiring repair or replacement with parts of a similar type and quality as the parts used in your vehicle; or
- c. pay the reasonable cost of such repair or replacement.

In doing the above under a., b., or c., we:

- we will cover only parts "Specified" in the following table, whilst the vehicle is in Australia;
- may take into account the age of the parts to be repaired or replaced and the number of kilometres travelled by your vehicle; and
- will not repair, replace or pay for parts excluded under "When we will not pay your claim" on page 15.

Specified Parts

In the vehicles:	We insure these parts
Petrol, diesel, or rotary engine	Cylinder block, heads, all internal parts
Automatic transmission or transfer case	Case, transfer case, all internal parts, torque converter, vacuum modulator

In the vehicles:	We Insure these parts
Standard transmission or transfer case	All internal parts
Front wheel drive	Final drive housing, all internal parts, axel shafts, constant velocity joints, universal joints, propeller shafts, locking hubs, hubs, bearings, locking rings, supports, retainers
Cooling and fuel	Water pump, fuel injectors, fuel injection pump, fuel delivery pump, carburettor, fuel distributor, fuel injector pump, diesel vacuum, assist booster pump, lines and nozzles
Steering	Gear housing, all internal parts including rack and pinion, power steering pump, power cylinder assembly
Front suspension	Macpherson struts, upper and lower control arms, control arm shafts and bushings, upper and lower ball joints, wheel bearings, spindle and spindle supports
Rear suspension	Macpherson struts, upper and lower control arms, control arm shafts and bushings, wheel bearings, spindle and spindle supports

In the vehicles:	We Insure these parts
Brakes	Master cylinder, assist boosters, wheel cylinders, combination valve, hydraulic lines, fittings, disc callipers, power brake cylinder, diesel vacuum, assist booster pump
Electrical	Starter motor, solenoid, alternator, voltage regulator, wiring harnesses, manually operated switches, wiper motors, windscreen washer pumps, electrical fuel pump, retractable headlamp motor, neutral start switch, electronic ignition system
Air conditioning	Compressor, clutch condenser, evaporator, TX valve
Turbocharger	Turbocharger housing and internal parts

2. Additional benefits

If we agree to your claim under Section 1, “Repairing or replacing parts of your vehicle” above, we will also pay for the following additional expenses you necessarily and reasonably incur:

1. Rental reimbursement

The cost of renting a substitute vehicle for your vehicle while its parts are being repaired or replaced. The most we will pay is \$70 per day up to a maximum of \$350 for any one claim.

2. Towing

The cost of towing your vehicle to the nearest repairer of your choice. The most we will pay is \$150 for any one claim.

3. Accommodation and Travel expenses

The cost of travelling expenses if the repair or replacement of parts is being carried out more than 150 kilometres from your usual place of residence. The most we will pay is \$65 per day up to a maximum of 5 days for any one claim. You only need authorisation from us for this benefit if we have not authorised the repair or replacement of parts of your vehicle.

4. Locksmith services

The cost of the services of a professional locksmith if the locks on your vehicle need repair or replacement. The most we will pay is \$50 for any one claim. You only need authorisation from us for this benefit if we have not authorised the repair or replacement of parts of your vehicle.

Limit in what we will pay

In the period of insurance, the most we will pay in total for any one mechanical failure, including additional expenses is \$2,000. The overall limit is an amount equal to what you paid for the vehicle. This amount is shown next to the price in the vehicle identification part of the schedule.

When we will not pay your claim

We will not pay any claim arising directly or indirectly out of or in any way connected with:

1. repair or replacement of parts while your vehicle is outside Australia.
2. any deliberate, intentional, malicious or criminal act of or caused by:
 - a. you; or
 - b. any person who is acting with your express or implied consent.
3. tyres or batteries.
4. any failure to properly maintain your vehicle or any part of it, including any failure to adjust parts in accordance with the manufacturer's warranty or the dealer's service bulletin.
5. the replacement of worn or broken parts which are known to have a limited life span and require regular replacement during your vehicle's lifespan, including but not limited to exhaust systems, filters, hoses, and brake pads.
6. adjustment or replacement of any part of your vehicle which is required under any law or government standard.
7. repair or replacement of any part of your vehicle which is covered by:
 - a. the manufacturer's or statutory warranty;
 - b. a repairer's guarantee; or
 - c. a manufacturer's recall programme.
8. any part of your vehicle if the odometer or other method of recording the age or use of the vehicle has been tampered with.

9. the failure of any part which is caused by:
 - a. any part which was not made or supplied by the manufacturer of your vehicle; or
 - b. any modification to your vehicle which altered its specification from the manufacturer's original specification, including but not limited to any change over to LPG (liquid petroleum gas), turbo-charging or a change in piston size.
10. any act of nature including but not limited to bushfire, earthquake, thunderstorm, hail or flood.
11. the misuse of your vehicle including but not limited to use for any purpose other than the use for which it was designed, sustained driving at high speeds, racing or other competitive use.
12. any form of vandalism to your vehicle.
13. any part of your vehicle if it has been used:
 - a. as a taxi;
 - b. as a police, security or emergency vehicle;
 - c. as a rental, driving school or courier vehicle; or
 - d. in the mining industry.
14. any form of damage resulting from a collision, impact or any accidental fire or theft damage to your vehicle.

General conditions

1. **Service and maintenance of your vehicle**

We may not pay your claim if you do not:

- a. service your vehicle in accordance with the manufacturer's recommendations and keep a record of the services undertaken on your vehicle.
- b. take reasonable care to maintain and protect your vehicle.

2. **Transfer of the policy**

You can not transfer this policy.

3. **Cancellation rights under the policy**

- a. In addition to your cooling off rights, you may cancel the policy or any part of the policy at any time by notifying us in writing. If the policy has been issued to more than one person each person must sign the notice.
- b. We have the right to cancel this policy where permitted by law. For example, we can cancel:
 - if you have failed to comply with your Duty of Disclosure, or
 - where you have made a misrepresentation to us during negotiations prior to the issue of this policy, or
 - where you have failed to comply with a provision of your policy, including a term relating to payment of premium, or
 - where you have made a fraudulent claim under your policy or under some other contract of insurance that provides cover during the same period of time that our policy covers you.
- c. If you or we cancel the policy we may deduct a pro rata proportion of the premium for

time on risk, reasonable administrative costs related to the acquisition and termination of the policy and any government taxes or duties we cannot recover.

- d. No refund will be provided if a claim has been paid.

3. GST Notice

This policy has a GST provision in relation to premium and our payment to you for claims. It may have an impact on how you determine the amount of insurance you need. Please read it carefully. Seek professional advice if you have any queries about GST and your insurance.

Sums insured

All monetary limits in this policy may be increased for GST in some circumstances (see below).

Claim settlements – Where we agree to pay

When we calculate the amount we will pay you, we will have regard to the items below:

- Where you are liable to pay an amount for GST in respect of an acquisition relevant to your claim (such as services to repair a damaged item insured under the policy) we will pay for the GST amount.

We will pay the GST amount in addition to the sum insured/limit of indemnity or other limits shown in the policy or in this schedule.

If your sum insured/limit of liability is not sufficient to cover your loss, we will only pay the GST amount that relates to our settlement of your claim.

We will reduce the GST amount we pay for by the amount of any input tax credits to which you are or would be entitled.

- Where we make a payment under this policy as compensation instead of payment for a relevant acquisition, we will reduce the amount of the payment by the amount of any input tax credit that you would have been entitled to had the payment been applied to a relevant acquisition.
- Where your policy insures business interruption, we will (where relevant) pay you or your claim by reference to the GST exclusive amount of any supply made by your business that is relevant to your claim.

Disclosure – Input tax credit entitlement

If you register or are registered for GST, you are required to tell us your entitlement to an input tax credit on your premium. If you fail to disclose or understate your entitlement, you may be liable for GST on a claim we may pay. This policy does not cover you for this GST liability, or for any fine, penalty or charge for which you may be liable.

Making a claim

What you must do

We may not pay your claim if you do not act as follows:

1. **Contact us as soon as possible**

You must tell us of your claim as soon as possible by contacting our Customer Service Centre on 1300 783 575.

2. **Assist us with your claim**

You must give us all the information and assistance with your claim which we may reasonably require. If we have the right to recover any amount payable under this policy from any other person, you must co-operate with us in any action we may take. We may appoint a loss adjuster to help settle your claim.

3. **Problem with your vehicle**

If you have a problem with your vehicle you must:

- a. take all reasonable precautions to prevent any further loss or damage;
- b. take your vehicle to the dealer who sold it to you or, if this is not possible, the closest licensed repairer of your choice;
- c. ensure that the dealer or repairer contacts us to authorise the claim before any work is done on your vehicle. However, the dealer or repairer may repair or replace the parts without our authorisation:
 - I. if the repair or replacement is required outside of our business hours; and
 - II. the dealer or repairer or you contact us as soon as possible after we re-open.
- d. tell us or ensure your dealer or repairer tells us if your vehicle has been towed as covered under "What we will pay", "Additional benefits" on pages 13 and 14.

Other information

Your Duty of Disclosure

Before you enter into an insurance contract with us, the Insurance Contracts Act 1984 requires you to provide us with the information we need to enable us to decide whether and on what terms your application for insurance is acceptable and to calculate how much premium is required for your insurance.

We set out this duty below.

Your Duty of disclosure when you enter into this Policy with us for the first time

You will be asked various questions when you apply for this Policy. When you answer these questions, you must:

- give us honest and complete answers;
- tell us everything that you know; and
- tell us everything that a reasonable person in the circumstances could be expected to know is relevant to our decision whether to insure you and whether any special conditions need to apply to your Policy.

This duty applies when you extend or vary the Policy.

What don't you need to tell us?

You do not need to tell us about any matter:

- that diminishes our risk;
- that is of common knowledge;
- that we know or should know as an insurer; or
- that we tell you we do not need to know.

Who must tell us?

Everyone who is insured under the Policy must answer the questions in this way.

What happens if you or they do not comply with this duty?

If you or they do not answer the questions in this way, we may cancel the Policy or reduce the amount we pay if you make a claim. If fraud is involved, we may treat the Policy as if it never existed, and pay nothing.

Privacy Act 1988 – Information

We collect your personal information directly from you where reasonably practicable or if not, from other sources. We collect it to provide our various services and products (e.g. to market, arrange and administer insurance and to handle and settle claims) and to conduct market or customer research. We also use it to develop and identify services of our related companies and alliance partners that may interest you (but you can opt out of this by calling the Allianz Direct Marketing Privacy Service Line on 13 2664 EST 8am-6pm, Monday to Friday or indicate your decision in the appropriate area of the Privacy section of our website at www.allianz.com.au). If you do not provide the information we require we may not be able to provide you with this service.

We disclose information to third parties who assist us in the above (e.g. insurers, insurance intermediaries, insurance reference bureaus, related companies, our advisers, persons involved in claims, external claims data collectors and verifiers, your agents and other persons where required by law). We also provide this information to financiers and motor vehicle manufacturers if we have a relationship or insurance scheme in place with them under which you purchased your policy. We prohibit them from using it for purposes other than those we supplied it for. Where you provide us with information

about another person for the above purposes, you must tell us if you haven't got their consent to this. If you wish to gain access to your personal information (including to correct or update it), have a complaint about a breach of your privacy or you have any query on how your personal information is collected or used, or any other query relating to Privacy, contact us on 13 2664 EST 8am-6pm, Monday to Friday.

General Insurance Code of Practice – providing you with even better service

The General Insurance Code of Practice was developed by the Insurance Council of Australia Limited to further raise standards of practice and service across the insurance industry.

We keenly support the standards set out in the Code.

You can obtain more information on the Code of Practice and how it assists you by contacting us. Contact details are provided on the back cover of this policy.

Dispute resolution process – helping you solve any problems

We have a free internal complaints resolution process that can be accessed by contacting us using the details on the back cover. If this process doesn't resolve the complaint we will give you information about how to access available external dispute resolution schemes.

If this insurance has been issued through an insurance intermediary

If your policy has been issued through our agent, or a broker who is acting under an agency arrangement such as a binder with us, then they are acting as our agent and not as your agent.

Where the policy has been arranged through an intermediary a commission is payable by us to them for arranging the insurance.

Phoning for assistance and confirmation of cover

If you need to confirm any policy transaction or clarify any of the information contained in this policy document or if you have any other queries, please use the contact details on the back cover.

For all general enquiries please call Esanda Insurance
on 1300 783 575

For all claims enquiries please call Allianz
on 1300 362 108

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