

# **VAMP Motor Vehicle Fleet Policy Number 32 VG02281 GFT**

Issued by VMIA

For the period date 30 June 2014 to 30 June 2015

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## The Insurer

The Insurer of this product is:  
Victorian Managed Insurance Authority  
ABN 39 682 497 841  
Level 10 South,  
161 Collins Street  
Melbourne Vic 3001  
Phone: (03) 9270 6900

## Claims Manager

Zurich Financial Services Australia Limited  
ABN 13 000 296 640  
Level 10  
505 Little Collins Street  
Melbourne Vic 3001

# Commercial Motor Vehicle Insurance Policy

## 1. Definitions & Interpretation

**Accidental Damage** means damage, loss or destruction caused by an unforeseen or unintended happening.

**Act of Terrorism** means an act, including but not limited to the use or threat of force or violence by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), which from its nature or context is committed for, or in connection with political, religious, ideological, ethnic or similar purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear.

**Business** means the **Insured Business**, occupation, trade or profession.

**Claims Manager/Zurich** means Zurich Australian Insurance Limited AFSL No: 232507, ABN: 13 000 296 640.

**Excess** means the amount specified in the **Schedule** and elsewhere in the Policy which the **Insured** has to contribute to each and every claim under the **Policy**.

The **Excess** will not be payable if the **Insurer/Claims Manager** agrees that the accident or damage was not the **Insured's** fault and the **Insured** provides the **Insurer/Claims Manager** with the name and address of the person responsible for the accident or damage.

**Insured** means the company named in the **Schedule** and includes all subsidiary companies, organisations and other entities in which the **Insured** has a controlling interest to the extent only that each of them is engaged in carrying on the **Business** or activities which are substantially of the same kind or related to that **Business**.

The **Insured** shall also mean any other party named or described in the records of the entity named in the **Schedule** as being included herein.

**Insured Vehicles** means all motor vehicles presently existing or subsequently acquired, owned, hired, leased, rented, loaned, borrowed or used by or on behalf of the **Insured**, or in which the **Insured** has an insurable interest or for which the Insured has received instructions to insure, including (in respect of **Sections 2 and 3** only) employees' motor vehicles or motor vehicles in the charge of employees (not otherwise insured) whilst in use in the **Insured's Business** including travel to and from the employees' residences.

The term '**Insured Vehicles**' also includes motor cycles, trailers, caravans, mobile plant and equipment, tractors and self-propelled agricultural machines.

**Insurer** means Victorian Managed Insurance Authority, ABN 39 682 497 841.

**Malicious Damage** means damage, loss or destruction intentionally caused by a third party without the consent of the **Insured**.

**Market Value** means the amount required to purchase a vehicle similar to an **Insured Vehicle** immediately before it suffered loss or damage, taking into account its make, model, age, kilometres travelled, condition and location.

**Period of Insurance** means the period specified in the **Schedule** or any subsequent period for which renewal has been agreed. The term '**Local Time**' which appears in the **Schedule** means the time at the **Insured's** principal place of **Business**.

**Policy** means this document, the **Schedule** and any **Endorsement**.

**Schedule** means the **Schedule** attached to the **Policy** or any later **Schedule** issued on renewal or variation or by way of **Endorsement**.

**Schedule of Motor Vehicles** means a list of vehicles provided by the Insured for underwriting purposes. The **Schedule of Motor Vehicles**, which may specify the **Description of Cover** and/or the **Sum Insured** applying to individual vehicles, is deemed to be incorporated into the **Policy**.

**Tool of Trade** means a motor vehicle which has a tool or plant forming part of, attached to or used in connection with it, while such tool or plant is engaged on a work site, but does not include vehicles whilst in transit to or from any work site.

## 2. Insuring Agreement

The **Insured** having made an application to the **Insurer/Claims Manager** and having paid or agreed to pay the **Deposit Premium**, the **Insurer/Claims Manager** will indemnify the **Insured** against loss, damage and/or liability as described, occurring within Australia, during the **Period of Insurance**.

## 3. Interested Parties

Indemnity against loss, damage and/or liability as described is extended to include any person, company or firm who has a financial and/or an insurable interest in the **Insured Vehicle** which is the subject of the loss or damage.

## 4. Premium Adjustment

### 4.1 Deposit Premium

The **Deposit Premium** shall be adjusted in accordance with the basis specified in the **Schedule** upon the **Insured** declaring to the **Insurer/Claims Manager** the number of **Insured Vehicles** at the expiry of the **Period of Insurance**.

#### 4.1.1 Unit Cost Premium Adjustment

Upon receipt of the **Insured's** declaration of **Insured Vehicles**, the **Deposit Premium** shall be adjusted at 50% of the annual **Premium** (the 'Unit Cost') per vehicle, calculated on the difference between the number of vehicles at the inception of the **Period of Insurance** and the number of vehicles at the expiry of the **Period of Insurance**. The **Insured** shall pay an additional **Premium** or receive a refund of **Premium** so calculated.

#### 4.1.2 Burning Cost Premium Adjustment

Three (3) months after the expiry of the **Period of Insurance**, the **Actual Premium** payable by the **Insured** shall be calculated on the following basis:

**Incurred Losses X ratio specified in the Schedule = Actual Premium**

**(Incurred Losses = claims paid and outstanding, less excesses)**

The **Insured** shall not be called upon to pay an **Actual Premium** greater than the **Maximum Premium** specified in the **Schedule**.

If the **Actual Premium** is less than the **Deposit Premium** the **Insurer** will refund to the **Insured** the difference between the **Actual Premium** and the **Deposit Premium** provided the **Insurer** shall be entitled to the **Minimum Premium** specified in the **Schedule**.

Should the number of **Insured Vehicles** increase or reduce by more than 10% during the **Period of Insurance**, the **Deposit**, **Maximum** and **Minimum Premiums** may be amended by negotiation.

#### 4.2 Premium Adjustment - individually rated Insured Vehicles

The **Insured** shall declare to the **Insurer** details of any additional and/or replacement vehicle and/or of any vehicle disposed of within twenty-one (21) days of the date of acquisition or disposal, from which date any additional or return **Premium** shall be calculated.

The requirement to declare details of any additional and/or replacement vehicle within twenty-one days shall take precedence over any conflicting provision of **Clause 5. Additional Vehicles** when the **Premium** is determined on the basis of individually rated **Insured Vehicles**.

## 5. Additional Vehicles

Provided that a vehicle is of a like and similar kind to those currently insured by the **Policy**, the **Insurer** will automatically cover any additional and/or replacement vehicle acquired, hired, leased, rented on loan to or used by or on behalf of the **Insured** during the **Period of Insurance**, whether on a permanent or temporary basis, from the time the **Insured** becomes legally responsible therefore, for a **Limit of Liability** equivalent to the vehicle's **Market Value** or \$250,000 or such other **Limit of Liability** specified in the **Schedule** in respect of **Additional Vehicles**, whichever is the lesser.

The **Limit of Liability** in respect of **Additional Vehicles** shall not apply where the **Insurer/Claims Manager** has been notified of, and accepted in writing, details of an **Additional Vehicle** and of that vehicle's purchase price or value.

## 6. Limitation of Use

The **Insurer/Claims Manager** will provide indemnity in accordance with the terms of the **Policy** only when **Insured Vehicles** are being used for the following purposes:

- 6.1 privately for social domestic and pleasure purposes;
- 6.2 in connection with the occupation or **Business** of the **Insured**;
- 6.3 for demonstration for sale;
- 6.4 in connection with servicing, repairing and subsequent testing;
- 6.5 for tuition, provided it is not for payment;
- 6.6 for towing a caravan, trailer or vehicle, provided it is not for payment.

**Provided that**, Sub-Clauses 6.3 and 6.4 shall not apply when the **Insured's Business** involves the sale, service and or repair of motor vehicles for reward.

## 7. Territorial Limits

The **Policy** covers **Insured Vehicles** only within the Commonwealth of Australia, including its external territories and including transportation by sea or air between any places in the said Commonwealth.

## 8. Description of Cover

When the **Description of Cover** specified in the **Schedule** and/or in the **Schedule of Motor Vehicles** against each **Insured Vehicle** is:

- 8.1 **Own Damage and Third Party Liability** - all **Sections** of the **Policy** will operate.
- 8.2 **Fire, Theft and Third Party Liability** - **Section 1** is restricted to loss or damage caused by fire, explosion, lightning, theft or attempted theft and **Sections 2** and **3** will operate.
- 8.3 **Third Party Liability** - only **Sections 2** and **3** will operate.

## 9. Section 1 - Own Damage

The **Insurer/Claims Manager** will indemnify the **Insured** against theft of, or Accidental Damage or Malicious Damage to:

- 9.1 each **Insured Vehicle**;
- 9.2 all accessories and apparatus together with manufacturer's options, tools and spare parts and spare wheel attached to or within each **Insured Vehicle**, caused by or arising out of an accident or theft. "Accident" means an unexpected event including vandalism.

The term "accessories" includes built-in radios, cassette players, CD players, installed car phones, satellite navigation systems, air conditioning units, receiving and transmitting equipment and gates, binders, ropes, tarpaulins, cranes, lifting devices, cables, winches, forks, tines, buckets, blades and curtains and/or any other accessory used by or attached to the vehicle, including such items (not otherwise insured) installed by employees.

### 9.3 Basis of Settlement

The basis of settlement will be at the option of the **Insurer/Claims Manager** to pay the cost of repairs to an **Insured Vehicle** or pay the amount of the loss or damage to the **Insured Vehicle**, provided such payment does not exceed either:

- 9.3.1 the **Sum Insured** if the **Schedule of Motor Vehicles** stipulates a **Sum Insured** in respect of the **Insured Vehicle**;

Or;

- 9.3.2 the **Market Value** of the **Insured Vehicle**, whichever is the lesser.

**Except:**

- 9.3.2.1 In respect of sedans, station wagons, four wheel drives and utilities which, if becoming a total loss or constructive total loss within twenty-four (24) months of the commencement date of the original registration, the **Insurer/Claims Manager** will replace such **Insured Vehicle** with a new vehicle of the same make, model or, series (subject to local availability) including similar accessories, tools, spare parts and other property (as defined) and pay Stamp Duty and delivery costs or, at the **Insurer's/Claims Manager's** option, pay the equivalent cash value of such replacement.

**Further:**

**9.3.3** In respect of an **Insured Vehicle** under a lease agreement, which if becoming a total loss or constructive total loss during the **Period of Insurance**, the **Insurer's/Claims Manager's** liability shall be the payout sum under the lease agreement if it is greater than the vehicle's **Market Value** or **Sum Insured** (if any).

**Provided that** the **Insurer's/Claims Manager's** liability under this Clause 9.3.3 to pay in addition to the **Market Value** or **Sum Insured** shall not exceed 20% of the **Market Value** or **Sum Insured** (if applicable) of such **Insured Vehicle** and does not include payments and interest in arrears at the time of the loss or discounts in respect of finance discharge.

**9.3.4** If an **Insured Vehicle** is stolen and not recovered within thirty days, it shall be deemed to be a total loss,

## **10. Extensions to Section 1**

In connection with a claim under **Section 1** of the **Policy**, the **Insurer/Claims Manager** will pay in addition to the amount payable under Clause 9.3 **Basis of Settlement**:

### **10.1 Towing Charges**

The reasonable cost incurred to remove the **Insured Vehicle** to a place of safety or the premises of the nearest repairer and to re-deliver the vehicle from such premises after repair to its usual place of garaging.

### **10.2 Cost of repatriating driver and passengers**

The reasonable cost, including necessary accommodation expenses, incurred in returning the **Insured's** driver and passengers to the original point of departure or, at the **Insured's** option, to the driver's destination, provided that the loss or damage to the **Insured Vehicle** occurred outside a radius of 100 kilometres from the original point of departure.

### **10.3 Signwriting**

The reasonable cost of reinstating necessary signwriting and artwork on, in or attaching to the **Insured Vehicle**.

### **10.4 Removal of Debris**

The reasonable cost incurred to clean up and remove debris resulting from the event giving rise to the claim.

### **10.5 Hire Costs**

If an **Insured Vehicle** is stolen or damaged, the **Insurer/Claims Manager** will pay the reasonable cost of hiring a replacement vehicle of a similar type (subject to local availability). The **Insurer/Claims Manager** will not pay for hiring charges incurred after the date the **Insured Vehicle** is available for use by the **Insured** in the condition similar to the condition it was in prior to the loss or damage, nor after a total period of 14 days.



## 10.6 Transit

Transit of an **Insured Vehicle** within the Commonwealth of Australia by road and/or rail and/or sea.

If the **Insured Vehicle** is covered for “**Own Damage**”, any contribution to general average and salvage charges is included when such maritime conditions apply, whether or not the **Insured Vehicle** is damaged.

## 10.7 Recovery Costs

If an **Insured Vehicle** is stolen and subsequently found, the **Insurer/Claims Manager** will pay the reasonable cost of recovery from any place in Australia.

## 10.8 Emergency Services

If an **Insured Vehicle** is involved in an accident requiring the attendance of the Fire Brigade, Police, Ambulance, State Emergency Services or other regulatory or municipal authority, the **Insurer/Claims Manager** will pay the cost of services as may be charged by each relevant service or authority.

## 10.9 Employees' Personal Property

If, as a result of loss or damage to an **Insured Vehicle** for which a claim is payable under **Section 1** of the **Policy**, any personal property therein belonging to an employee of the Insured be lost or damaged, the **Insurer/Claims Manager** will indemnify the **Insured** in respect of such employee's property, provided that such property is not otherwise insured, subject to deduction of an allowance for age, depreciation, wear and tear.

## 10.10 Locks and Keys

If keys to an **Insured Vehicle** are lost, destroyed or damaged, or if there are reasonable grounds to believe that the keys have been duplicated, the **Insurer/Claims Manager** will pay the cost of replacing the keys and locks and any associated work.

The maximum amount payable in respect of Extensions 10.1 to 10.10 is the **Sub-Limit of Liability** stated in the **Schedule** against each Extension.

## 10.11 Medical and Related Expenses

The **Insurer/Claims Manager** will refund to the **Insured** all reasonable sums not exceeding in the aggregate (in respect of any one accident) the amount of \$500 which the **Insured** (or driver) has paid for medical (outside of Medicare), dental, hospital, chemist or ambulance expenses in connection with personal injury sustained by persons riding in an **Insured Vehicle** at the time of an accident giving rise to a claim which has been admitted under **Section 1** of this **Policy**.

**Provided that** the refund shall not be made:

10.11.1 if the person so injured is entitled to recover such expenses under any Workers' Compensation Law or from any other source;

10.11.2 of a sum prohibited to be paid by the *National Health Act 1953* or *Health Insurance Act 1973*.

## 11. Section 2 : Third Party Liability - Property Damage

- 11.1 The **Insurer/Claims Manager** will indemnify the **Insured** against liability at law for damages and claimant's costs and expenses in respect of loss of or damage to property caused by, through or in connection with the use of an **Insured Vehicle** which includes:
- 11.1.1 goods being carried by or falling from the **Insured Vehicle** and all costs, charges and expenses necessarily and reasonably incurred by the **Insured** or on behalf of a Public Authority to clean up and remove any debris;
  - 11.1.2 the operation of loading and unloading the **Insured Vehicle** but not the collection or delivery of the load to or from the vehicle beyond the limits of any carriageway or thoroughfare;
  - 11.1.3 the **Insured Vehicle** being driverless and unattended; or
  - 11.1.4 any passenger travelling in or on, entering into or alighting from the **Insured Vehicle**.

## 12. Section 3: Third Party Liability - Personal Injury

- 12.1 The **Insurer** will indemnify the **Insured** against liability at law for damages and claimant's costs and expenses arising from the death of or personal injury to any person other than any person who at the time of the accident giving rise to the death or personal injury was acting in the course of his or her employment by the **Insured** occurring during the **Period of Insurance** and caused by, through, or in connection with the use of an **Insured Vehicle**, which includes;
- 12.1.1 goods being carried by or falling from the **Insured Vehicle**;
  - 12.1.2 the operation of loading and unloading the **Insured Vehicle** but not the collection or delivery of the load to or from the vehicle beyond the limits of any carriageway or thoroughfare.
- 12.2 The **Insurer/Claims Manager** will not indemnify the **Insured** or any other person claiming indemnity under this **Section 3** for or in respect of:
- 12.2.1 any liability which is covered by or within the scope of any statutory scheme operating anywhere in Australia governing the payment of damages, compensation or expenses (whether limited in amount or not) for death or personal injury, or the compulsory insurance of any liability for such payment, caused by, through, or in connection with the use of an **Insured Vehicle**;
  - 12.2.2 any amount in excess of that recoverable under any statutory compulsory insurance or fund, or accident compensation scheme;
  - 12.2.3 any claim for which the **Insured** would have been partially or wholly compensated but for the **Insured's** failure to insure or to register the **Insured Vehicle** or to lodge a claim in accordance with a requirement of any statutory compulsory insurance or fund, or accident compensation scheme;

- 12.2.4 any liability for death or personal injury to any person in charge of the **Insured Vehicle** at the time of the occurrence;
- 12.2.5 any liability for damages, compensation or expenses for which the right to claim has been abolished or in any way limited by any law operating anywhere in Australia; or
- 12.2.6 the use of an **Insured Vehicle** registered in the Northern Territory.

## 13. Extensions to Sections 2 and 3

### 13.1 Legal Costs

The **Insurer/Claims Manager** will pay all legal costs and expenses incurred with their prior written consent in the defence of any Court proceedings in respect of which the **Insured** is entitled to indemnity under **Sections 2 and 3** of the **Policy**. Furthermore, the **Insurer** will pay reasonable legal expenses incurred with their prior written consent for representation at any formal legal inquiry or at any Coroner's inquest.

### 13.2 Indemnity to other persons

The **Insurer/Claims Manager** will extend the protection provided to an Insured under Sections 2 and 3 to:

- 13.2.1 any person who was driving, using or in charge of an **Insured Vehicle** with the **Insured's** permission or implied consent;
- 13.2.2 the **Insured's** employer, principal or business partner arising out of the use by the **Insured** of an **Insured Vehicle**;
- 13.2.3 the Commonwealth and State Governments arising out of the use by the **Insured** of an **Insured Vehicle** on government business; and
- 13.2.4 any passenger travelling in or on, entering into or alighting from an **Insured Vehicle**.

### 13.3 The Insured's liability as a Principal

The **Insurer/Claims Manager** will indemnify the **Insured** in accordance with the cover under **Sections 2 and 3** in respect of any motor vehicle not owned or supplied by the **Insured** which is in the charge of or being driven by a person authorised to use the vehicle on behalf of the **Insured** in connection with the **Business** of the **Insured**.

### 13.4 Towage

The **Insurer/Claims Manager** will indemnify the **Insured** in accordance with the cover under **Sections 2 and 3** against legal liability arising from the towage of a trailer or the towing of a disabled mechanically propelled vehicle, **provided always that:**

- 13.4.1 not more than one disabled mechanically propelled vehicle is being towed at any one time; or
- 13.4.2 the number of trailers being towed at any time does not exceed the number permitted by law.

### 13.5 Substitute Vehicle

The **Insurer/Claims Manager** will indemnify the **Insured** in accordance with the cover under **Sections 2 and 3** for accidental damage caused by a vehicle being used by the **Insured** as a substitute vehicle while an **Insured Vehicle** is being serviced, repaired or is not driveable.

The **Insurer/Claims Manager** will provide this indemnity only if:

- one substitute vehicle is being used at any one time in place of an **Insured Vehicle**;
- the substitute vehicle is not already covered under another insurance policy and;
- the substitute vehicle is not owned by the **Insured**.

## 14. Limits of Liability - Sections 2 and 3

### 14.1 Sections 2 and 3 combined

The aggregate liability of the **Insurer/Claims Manager** under **Sections 2 and 3** combined is limited to the amount specified in the **Schedule** in respect of all claims whatsoever and howsoever arising out of any one accident or series of accidents arising out of one event.

### 14.2 Carriage of Hazardous Goods

Unless otherwise specified in the **Schedule** or by Endorsement, if at the time of an accident giving rise to a claim under the **Policy** an **Insured Vehicle** (or towed motor vehicle or trailer) is carrying goods classified as dangerous under the "Australian Code for the Transport of Dangerous Goods by Road or Rail", where the transportation of such goods is in compliance with the:

14.2.1 Australian Code for the Transport of Explosives by Road and Rail;

Or

14.2.2 Australian Code for the Transport of Dangerous Goods by Road and Rail,

then the aggregate liability of the **Insurer** under **Sections 2 and 3** combined is \$500,000 in respect of all claims attributable to the goods so carried arising out of one event.

## 15. General Exclusions

(Applicable to All Sections except where otherwise specified)

15.1 This **Policy** does not cover:-

- 15.1.1 loss suffered as a result of inability to use an **Insured Vehicle**;
- 15.1.2 depreciation, wear and tear, rust or corrosion of an **Insured Vehicle**. However the **Insurer/Claims Manager** will pay for any resultant damage to the **Insured Vehicle**, provided that the **Insured** was not aware of the condition;
- 15.1.3 structural failure, mechanical, electrical or electronic breakdown or failure of an **Insured Vehicle**. However the **Insurer/Claims Manager** will pay for any resultant damage to the **Insured Vehicle**, provided that the **Insured** was not aware of the condition;
- 15.1.4 the tyres of an **Insured Vehicle** being damaged by application of brakes or by road punctures, cuts or bursting;
- 15.1.5 loss or damage to an **Insured Vehicle** occasioned by lawful seizure or other operation of law arising from any breach of contract, agreement or obligation;
- 15.1.6 loss or damage to an **Insured Vehicle** due to failure to take reasonable steps to lock or secure the vehicle after it has broken down or been damaged;
- 15.1.7 loss or damage caused by or arising from war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power;
- 15.1.8 loss or damage caused by or arising from radioactivity, or from the use, existence or escape of any nuclear fuel, nuclear material or nuclear waste or action of nuclear fission or fusion;
- 15.1.9 any liability for damage to property of the **Insured** or property in the **Insured's** physical or legal custody or control whilst such property is on or being loaded on to or unloaded from an **Insured Vehicle**;
- 15.1.10 any liability which the **Insured** or any other person or party to whom protection is given under this **Policy** is required by law to insure under a separate statutory policy;
- 15.1.11 any liability arising under any undertaking or indemnity given or contracted by the **Insured** without the written consent of the **Insurer/Claims Manager** unless such liability would have attached notwithstanding such undertaking or indemnity;
- 15.1.12 in respect of **Sections 2 and 3**, an **Insured Vehicle** when being used as a **Tool of Trade**;
- 15.1.13 loss, damage, cost, expense or any liability of whatsoever nature directly or indirectly caused by, resulting from or in connection with:
  - 15.1.13.1 any **Act of Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
  - 15.1.13.2 any action taken in controlling, preventing, suppressing or in any way relating to any **Act of Terrorism**;

15.1.14 an **Insured Vehicle** whilst being used in underground excavation or underground mining;

15.1.15 in respect of **Sections 2 and 3**, the use of an **Insured Vehicle** when it is unregistered or unlicensed

**15.2** This **Policy** does not cover the **Insured** if at the time of an accident an **Insured Vehicle** and any attached trailer is being:

15.2.1 used in, or tested in preparation for, a race, trial, test or contest or for pacemaking;

15.2.2 used in an experiment, test, trial or demonstration other than for re-sale purposes in connection with the motor trade or when involved in a defensive driving course;

15.2.3 used to convey or tow a load in excess of that for which the vehicle or attached trailer was designed. Provided that, this **Exclusion** 15.2.3 shall not apply if the **Insured** is able to prove that:

15.2.3.1 the event giving rise to a claim was not caused by or contributed to by such excess load, or;

15.2.3.2 the **Insured** had no knowledge of such overloading;

15.2.4 used whilst in an unsafe or unroadworthy or damaged condition, unless such condition could not reasonably be detected by the **Insured** or unless the **Insured** can prove that the event giving rise to the loss damage or liability was not caused or contributed to by such unsafe, un-roadworthy or damaged condition;

15.2.5 used for any form of hire other than for a car pooling agreement in accordance with the provisions of the Transport Regulation (Car Pools) Act 1979 or an equivalent statute or unless the **Insurer/Claims Manager** has been notified and any special terms required have been agreed by the **Insurer/Claims Manager** in writing;

15.2.6 used for an unlawful purpose by the **Insured** or is being so used by some other person with the expressed or implied consent of the **Insured**;

15.2.7 used for the transportation of goods which are classified as dangerous under the:

15.2.7.1 Australian Code for the Transport of Explosives by Road and Rail;  
Or:

15.2.7.2 Australian Code for the Transport of Dangerous Goods by Road or Rail, except as provided under Clause 14.2 of this **Policy**.

**15.3** This **Policy** does not cover the **Insured** if at the time of an accident an **Insured Vehicle** and any attached trailer is being:

15.3.1 driven or for the purpose of being driven is in the charge of any person other than a fully authorised driver under all relevant laws, by-laws and regulations;

15.3.2 driven by or is in the charge of any person;

- 15.3.2.1 while under the influence of an illegal drug;
- 15.3.2.2 with a percentage of alcohol in their breath or blood in excess of that permitted by law; or
- 15.3.2.3 who is convicted of the offence of refusing to take a breathalyser or blood test when requested to do so in a lawful manner;

except where there are any relevant statutory provisions to the contrary.

This **Exclusion 15.3** will not apply if the **Insured** proves that whilst permission was given for such person to use the **Insured Vehicle**, the **Insured's** officer responsible for insurance did not know, or could not reasonably have known, that the person was so affected.

## 16. Excess

- 16.1 The **Insurer/Claims Manager** will not pay the first amount of any loss, damage or liability specified as the "**Standard Excess**" and the next amount of any loss, damage or liability specified as the "**Age and Inexperienced Drivers Excess**" in the **Schedule**.
- 16.2 **Provided that** neither **Excess** shall apply to claims where the damage is limited to windscreen or window glass breakage only and the vehicle is either a Sedan, Van, Utility, 4WD or Goods Carrying Vehicle with a capacity of less than 3.5 tonnes.
- 16.3 Neither **Excess** shall apply upon the **Insured** successfully identifying a negligent third party responsible for the event giving rise to a claim.

## 17. General Terms and Conditions

(Applicable to All Sections)

### 17.1 Cancellation

This **Policy** may be cancelled at any time at the request of the **Insured** in which case the **Insurer/Claims Manager** shall retain a proportion of the **Premium** commensurate with the risk attaching for the period the **Policy** was in force.

The **Insurer/Claims Manager** may also cancel this **Policy** on any grounds set out in the Insurance Contracts Act 1984 by giving the **Insured** written notice of such cancellation in accordance with the Act.

The **Insurer's** notice of cancellation takes effect at the earlier of the following times:

17.1.1 the time when another policy of insurance between the **Insured** and the **Insurer/Claims Manager** or some other insurer, being a policy that is intended by the **Insured** to replace this **Policy**, is entered into; or

17.1.2 4.00 PM on the thirtieth business day after the day on which notice was given to the **Insured**.

In the event that the **Insurer/Claims Manager** cancels this **Policy** the **Insurer/Claims Manager** will refund a rateable proportion of the **Premium** for the unexpired **Period of Insurance** from the date of cancellation.

### 17.2 Claims Procedure

#### 17.2.1 Notification

The **Insured** or someone acting on the **Insured's** behalf must:

17.2.1.1 notify the **Insurer/Claims Manager** of any accident or damage or loss without delay;

17.2.1.2 notify the police of theft losses;

17.2.1.3 send to the **Insurer/Claims Manager** any letter of demand, claim, writ or summons relating to an accident involving an **Insured Vehicle**; and

17.2.1.4 assist the **Insurer/Claims Manager** in every way in connection with any claim or legal action relating to that accident.

#### 17.2.2 Subrogation - Liability not to be admitted

No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the **Insured** without the consent of the **Insurer/Claims Manager** who shall have the right and duty to take over and conduct in the name of the **Insured** the defence or settlement of any claim or to prosecute in the name of the **Insured** for the **Insurer's/Claims Manager's** own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings or in the settlement of any claim and the **Insured** shall give all such information and assistance as the **Insurer/Claims Manager** may require.

If the **Insurer/Claims Manager** makes any recovery by way of subrogation, the **Insured** shall be entitled to recover from the **Insurer/Claims Manager** any



amount by which the **Insurer's/Claims Manager's** recovery exceeds the amount paid by the **Insurer/Claims Manager** in relation to the loss.

#### 17.2.3 Repairs

Repairs to an **Insured Vehicle** must not be authorised for any amount in excess of \$1,000 without the consent of the **Insurer/Claims Manager**.

### 17.3 Fraudulent Claims

Where a claim is fraudulently made by the **Insured**, or by any other party, the **Insurer/Claims Manager** may refuse payment of any part of the claim and may seek repayment of any sums previously paid. In addition, the **Insurer/Claims Manager** may cancel this **Policy** by giving the **Insured** three (3) business days written notice to that effect. This **Condition** 17.3 takes precedence over **Condition** 17.1.

### 17.4 Care of Insured Vehicle

The **Insured** must take reasonable steps at all times to safeguard **Insured Vehicles** from loss and damage and to maintain them in an efficient safe and fully roadworthy condition.

### 17.5 Cross Liability

Where the **Insured** is comprised of more than one party, the words "the **Insured**" shall be considered as applying to each party comprising the **Insured** in the same manner as if that party were the only party named herein as the **Insured**. Nothing contained in this clause shall operate to increase the **Insurer's/Claims Manager's Limit of Liability** as specified in the **Schedule**.

### 17.6 Breach

Breach or non-compliance with any provision, **Exclusion** or **Condition** of this **Policy** without the knowledge or consent of the **Insured's** officer responsible for insurance shall not affect the right of the **Insured** to the indemnity granted under this **Policy** nor shall any breach or non-compliance by one of the **Insured's** prejudice the interest of any other **Insured** or interested party to this **Policy**.

### 17.7 Release

The **Insurer/Claims Manager** agrees to waive any rights and remedies or relief to which they may become entitled by subrogation against:

17.7.1 each party comprising the **Insured**, including directors, trustees, officers, employees, partners or shareholders;

17.7.2 all contractors and sub-contractors of the **Insured**; and

17.7.3 any other entity or person whenever the **Insured** has been required by contractual agreement to release such parties from liability arising from any event insured against by this **Policy**;

and such waiver and/or release is allowed without prejudice to this insurance.

## 17.8 Acquired Entities

This **Policy** extends to include any company, subsidiary, organisation, firm or other entity formed purchased or otherwise acquired by the **Insured** during the **Period of Insurance**.

**Provided that** the **Insured** shall:

- 17.8.1 hold a controlling interest in such entity;
- 17.8.2 advise the **Insurer/Claims Manager** of its interest in such entity within a reasonable period following the date of attachment of such interest; and
- 17.8.3 declare to the **Insurer/Claims Manager** the number of additional vehicles to be insured and pay such additional **Premium** as may be required by the **Insurer/Claims Manager**.

## 17.9 Goods and Services Tax (GST)

GST, Input Tax Credit, Acquisition and Supply have the same meaning as given to those expressions in A New Tax System (Goods and Services Tax) Act 1999 and related legislation as amended from time to time.

Taxable Percentage is the Insured's entitlement to an Input Tax Credit on the **Premium** as a percentage of the total GST on that **Premium**.

- 17.9.1 Where the **Insurer/Claims Manager** makes a payment under this **Policy** for the Acquisition of goods, services or other Supply, the amount of the payment will be reduced by the amount of any Input Tax Credit that the **Insured** is, or will be, entitled to in relation to that Acquisition, whether or not the **Insured** makes that Acquisition.
- 17.9.2 Where the **Insurer/Claims Manager** makes a payment under this **Policy** as compensation instead of payment for the Acquisition of goods, services or other Supply, the **Insurer/Claims Manager** will reduce the amount of the payment by the amount of any Input Tax Credit that the **Insured** would have been entitled to had the payment been applied to acquire such goods, services or other Supply.

Any GST amount paid by the **Insurer/Claims Manager** shall be in addition to the **Limits of Liability** specified in the **Schedule**.

No payment shall be made to the **Insured** for any GST liability that they may acquire upon settlement of a claim if the **Insured** has not informed the **Insurer/Claims Manager** of its correct Taxable Percentage.

## 17.10 Headings

Headings have been included for ease of reference only. The provisions of this **Policy** are not to be construed or interpreted by reference to such headings.

## 17.11 Transfer of Interest

No interest in this **Policy** can be transferred without the written consent of the **Insurer/Claims Manager**.

## 18. Endorsements to the Policy

The following **Endorsements** to the standard cover will be deemed to be incorporated in this **Policy** only when specified in the **Schedule** by the appropriate number and title.

### 18.1 Vehicles let on hire

**Exclusion** 15.2.5 of the **Policy** is deleted.

### 18.2 Vehicles used as a Tool of Trade

**Exclusion** 15.1.12 of the **Policy** is deleted.

### 18.3 Agreed Value Basis

Notwithstanding the provisions of Clause 9.3 of the **Policy - Basis of Settlement** - when the **Sum Insured** of an **Insured Vehicle** is designated as the Agreed Value on the current **Schedule of Motor Vehicles**, the **Insurer/Claims Manager** will accept that value as the Basis of Settlement in the event of a loss involving that vehicle.

### 18.4 Repair Authority

The amount of \$1,000 appearing in Clause 17.2.3 is deleted and replaced by \$2,000.

### 18.5 Underground Mining Equipment

**Exclusion** 15.1.14 is hereby deleted.

## Privacy Statement

VMIA is committed to protecting your privacy. Any personal information collected, handled, stored or disclosed about you through our services will be managed in accordance with the *Victorian Managed Insurance Act 1996*, *Information Privacy Act 2000* and the *Health Records Act 2001*.

Personal information means information or an opinion that is recorded about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.

### Collection and use of Personal Information

VMIA will only collect and record personal information via this website if it is provided directly to us and is necessary for us to perform our functions or activities; for example VMIA will need to collect personal information, to send requested information, or to act on feedback provided. In particular, personal information is collected in the following situations:

- when you send us an email
- when you use our online services, such as completing a form electronically
- when you register as a site user
- when you provide feedback by email or by using the feedback form on our website.

### Access and Correction

If you:

- want to have access to the personal information (if any) that we hold about you
- want to know more about what sort of information we hold, for what purposes and how we deal with that information
- believe that personal information that we hold about you is not accurate, complete and up to date; or
- have concerns about your privacy rights,

please contact VMIA's Information Privacy Officer on 03 9270 6912.