

Key Fact Sheet:

Asset Protection Insurance - No Limit

Issued by AWN Insurance, AFSL 246469 and underwritten by Assetinsure Pty Ltd, AFSL 488403.

What is Asset Protection Insurance (API)?

If your Motor Vehicle is declared a total loss due to accident, theft or damage beyond repair, there's a good chance your comprehensive insurance total loss payment will not cover the total amount you paid for your Motor Vehicle, nor any amount you still owe on your finance. Asset Protection provides coverage to insure this shortfall.

What is the API Shortfall Benefit?

With Asset Protection Insurance, whether you paid cash or have financed your Motor Vehicle, in the first 60 months, you receive the greater of the following shortfall benefits:

1. The difference between the finance settlement amount and the total loss payment; or
2. The difference between the original purchase price of the Motor Vehicle and the total loss payment.

After 60 months, you receive:

- The difference between the finance settlement amount and the total loss payment.

Unlike many similar products available, our shortfall benefit is not subject to a fixed dollar limit.

What is the API Plus Benefit?

At your choosing, following a total loss, if you purchase a replacement Motor Vehicle at the same dealership or finance with the issuing agent you purchased your original Motor Vehicle, the API Optional Benefit pays you an additional 5% of the original Motor Vehicle Purchase Price.

Our Pricing

Your API premium is risk-rated. This means your premium is proportional to your individual risk and circumstances.

To achieve this we need to charge different premiums depending on:

- The API Policy Term you choose (36, 48, 60, 72 or 84 months - which will be matched to any finance contract, where relevant).
- The Motor Vehicle Purchase Price (between \$10k and \$160k).
- Whether you already have partial coverage as part of your comprehensive insurance (new for old coverage).

Finance

You **do not** need to be financing your Motor Vehicle to purchase our API product.

However, if you do not have finance, the maximum API Policy Term we offer is 60 months.

If you do have finance you can purchase a longer-term policy but there are some additional restrictions:

- We match the API Policy Term to your finance term, as closely as possible.
- We cannot sell you an API policy if you borrow more than 125% of the Motor Vehicle Purchase Price.
- If your finance term (and API Policy Term) is greater than 60 months, the API Shortfall Benefit after more than 60 months is calculated as the difference between the finance settlement amount and the total loss payment only.

Illustration of what the API benefits are

- You want to purchase a Motor Vehicle from one of our authorised selling agents for \$35,000. Your existing Motor Vehicle can be traded in for \$12,000 but you owe \$16,000 on your existing finance contract.
- The selling agent arranges finance for \$39,000 so that you clear the previous loan balance owing and trade in your existing Motor Vehicle.
- Your market value comprehensive insurance policy does not have any “new for old” or similar benefits.
- You decide to finance the Motor Vehicle over 84 months and buy an 84-month API policy.

The following examples illustrate claim payment outcomes for total losses arising at different times during the life of your API policy.

Benefit Outcome Example 1

Your car is declared a total loss 17 months into your API Policy Term, your comprehensive insurer pays you a total loss benefit of \$20,500 but you still owe \$32,760 on your finance.

Your API shortfall benefit is the greater of:

1. $\$32,760 - \$20,500 = \$12,260$
2. $\$35,000 - \$20,500 = \$14,500$

That is, your API Shortfall Benefit is \$14,500.

However, we first pay your financier the finance settlement amount (\$12,260) and then pay the balance to you ($\$14,500 - \$12,260 = \$2,240$).

Your API Plus Benefit pays you an additional \$2,000.

You also choose to buy a replacement Motor Vehicle from the same agent you purchased the original Motor Vehicle from, and so you qualify for the API Optional Benefit of $5\% \times \$35,000 = \$1,750$.

The total API Benefits paid directly to you are therefore $\$2,240 + \$2,000 + \$1,750 = \$5,990$ and you have no debt to the financier.

Benefit Outcome Example 2

Your car is declared a total loss 63 months into your API policy term, your comprehensive insurer pays you a total loss benefit of \$12,100 and you still owe \$11,750 on your finance.

Your API shortfall benefit is \$0 because your total loss payout (\$12,100) is sufficient to clear the finance settlement amount (\$11,750).

As previously, the API Plus Benefit pays you an additional \$2,000.

You also choose to buy a replacement Motor Vehicle from the same agent you purchased the original Motor Vehicle from, and so you qualify for the API Optional Benefit which is, as previously, $5\% \times \$35,000 = \$1,750$.

The total API Benefits paid to you are therefore $\$2,000 + \$1,750 = \$3,750$ and you have no debt to the financier.

Dispute Resolution and Complaints

If you are unhappy with our claim decisions, or any other aspect of the service provided to you, you have the right to complain and/or lodge a formal dispute through us.

We are a signatory to the General Insurance Code Of Practice (GICOP) and we offer both Internal Dispute Resolution (IDR) and access to External Dispute Resolution (EDR) through the Australian Financial Complaints Authority (AFCA).

These are industry-consistent services that ensure you get a fair go in relation to the payment of any claim, or indeed any other dispute. We pay all valid and legitimate claims.

Product Disclosure Statement

This information is for illustrative purposes only. For full terms and conditions please refer to the Product Disclosure Statement (PDS) which applies to your API policy purchase.