

MBW 3000 Mechanical Breakdown Warranty

Sample Product Disclosure Statement and Policy Document

WELCOME

This Warranty is designed to help reduce the financial impact of unexpected and potentially expensive mechanical repairs to Your Motor Vehicle by providing parts and labour coverage on Covered Components as listed under Warranty Cover (Part B/Section 2).

At Your option, You can also choose to protect Your Tyres and Wheels from puncture repairs to Tyres and structural damage to Tyres and Wheels caused by road and driving hazards. The Tyre and Wheel option runs for 12 months and can be renewed annually throughout the term of Your Warranty (and beyond if You desire).

When You purchase this Warranty, You benefit from having the certainty to the period of cover and the remedy You will receive together with the convenience of having these remedies managed for You by Us.

YOUR CONTRACT WITH US

When You buy this Mechanical Breakdown Warranty, You enter into a contract with Us (this contract is Your Warranty), which is made up of;

- this Product Disclosure Statement (which contains a high-level overview of the insurance cover provided under Your Warranty);
- the Policy Wording (which describes the insurance cover provided under Your Policy in detail); and
- Your Policy Schedule (this identifies the cover We provide under Your Warranty, the insured(s) covered and any conditions that may change the cover provided under Your Warranty),(together, the Warranty documents).

You must read the Warranty documents carefully and ensure that You fully understand the terms of the insurance cover provided under Your Warranty, including the interests and amounts insured. If any of these things are not in accordance with Your requirements or You are in doubt as to the meaning or the potential impact of the Warranty documents, please contact AWN for assistance.

Keep Your Warranty documents, together with any receipts and other evidence of ownership and value of items insured under Your Warranty, in a safe place.

UNDERSTANDING THIS DOCUMENT

All Warranty documents and all communications with You about this Warranty will be in easy to understand English. If You have any disability that makes communication difficult, please tell AWN and they will be pleased to help.

Certain words have special meanings when they appear in this document. Refer to the Definitions (which start on page 15, Part C) for a list of the defined terms and their meaning.

GENERAL ADVICE WARNING

Any financial product advice given to You by the Selling Agent or their representative about this Warranty is general advice only and does not take into account Your personal objectives, financial situation or needs. Please read the Product Disclosure Statement to consider whether the product is appropriate for Your personal objectives, financial situation or needs before purchasing. If You require personal advice, We recommend that You seek advice from an insurance broker or financial advisor before making the decision to purchase, vary or cancel Your insurance.

SUMMARY OF RIGHT AND REMEDIES UNDER THE AUSTRALIA CONSUMER LAW

The protection afforded to You under this Warranty is in addition to and does not substitute for, the rights You have under the Australian Consumer Law. If and to the extent that You have a right to claim under the Australian Consumer Law, You may also need to claim under Your Mechanical Breakdown Warranty when not covered by the Australian Consumer Law.

The Australian Consumer Law protects consumers by automatically giving them basic, guaranteed rights for goods (e.g., motor vehicles) they purchase (Consumer Guarantees) at no charge. For example, the Australian Consumer Law requires that, taking account of the nature of goods, the price, any representations made by the supplier or manufacturer and other relevant circumstances, the goods must be free of defects, do what they are meant to do, be safe, durable and acceptable in appearance and finish, be fit for any particular purpose that the consumer makes known, and comply with any description given or any demonstration model used.

Your goods come with guarantees that cannot be excluded under the Australian Consumer Law. You are entitled to a replacement or refund for a major failure and compensation for any other reasonably foreseeable loss or damage. You are also entitled to have the goods repaired or replaced if the goods fail to be of acceptable quality and the failure does not amount to a major failure.

In the event of a breach of a Consumer Guarantee where there is a major failure of the goods, consumers are entitled to reject the goods and choose a replacement or refund and claim compensation for any reasonably foreseeable loss or damage suffered by consumers as a result of the failure. Where the failure does not amount to a major failure, consumers are entitled to have the supplier repair or replace the goods (at the supplier's choice). Whether a specific failure breaches a Consumer Guarantee, and a consumer is entitled to a remedy under the Australian Consumer Law will depend on the circumstances.

Consumer Guarantees have no set time limit but generally last for an amount of time that is reasonable to expect in the circumstances, given factors including the age, cost and quality of the goods, the use made of the goods or any representation made by the supplier or manufacturer. Consumer Guarantees may continue even at the expiry of the Manufacturer's Warranty for the goods or this Mechanical Breakdown Warranty. The exact amount of time that Consumer Guarantees last in the case of a specific purchase varies depending on the circumstances.

Your Motor Vehicle may also have an additional Selling Agent Statutory Warranty. The provisions of Selling Agent Statutory Warranties may differ depending on the State or Territory in which it is provided. Any Selling Agent Statutory Warranty may be in addition to or overlap the Australian Consumer Law and may also operate concurrently with the Australian Consumer Law.

ADDITIONAL BENEFITS UNDER THIS MECHANICAL BREAKDOWN INSURANCE NOT AVAILABLE UNDER THE ACL

We appreciate that You may want the certainty of knowing that, if the Motor Vehicle You buy is faulty, it is covered for specific events and for a specific time period.

When You purchase AWN's Warranty You are obtaining certainty as to the period of coverage and the remedy You will receive and the convenience of having the repair and/or replacement process managed for You by AWN and work undertaken by an Approved Repairer.

You will be entitled to the benefits set out in this Warranty that are not available under the Australian Consumer Law which, subject to the terms and conditions of Your Mechanical Breakdown Warranty. They are:

- Certainty as to the exact period of cover You have for Your Covered Components;
- Specific repair time guarantee provided by repairers (dependent on diagnosis and parts availability);
- Expert advice and assistance;
- Specified cover amounts and Additional Benefits; and
- A network of Approved Repairers.

It is Your choice as to whether You buy the Mechanical Breakdown Warranty, and it is Your choice as to whether You choose to seek a remedy from AWN under the Warranty or whether You directly seek a remedy from the Selling Agent who supplied You the Motor Vehicle or the Motor Vehicle manufacturer.

TARGET MARKET DETERMINATION

From 5 October 2021, a Target Market Determination Mechanical Breakdown Warranty Insurance can be obtained at

www.asseinsure.com.au

PART A: PRODUCT DISCLOSURE STATEMENT

ABOUT THIS PRODUCT DISCLOSURE STATEMENT

This Product Disclosure Statement (PDS) contains information designed to help You make an informed decision about whether to purchase the Warranty. This PDS was prepared on the 30th of June 2021.

UPDATING THE PDS

We may need to update this PDS from time to time if certain changes occur when required and permitted by law. We will issue You with a new PDS or a supplementary PDS or other compliant documents to update the relevant information except in limited cases, such as, where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, We may issue You with notice of this information in other forms or keep an internal record of such changes. You can get a paper copy free of charge by contacting AWN using Our details provided in the next section of this document.

WHO IS THE UNDERWRITER?

The Warranty is underwritten by:

Assetinsure Pty Ltd (ABN 65 066 463 803, AFSL 488403) (Assetinsure)

Level 21, 45 Clarence Street, Sydney, NSW 2000

Assetinsure is authorised by the APRA to conduct general insurance business. For further information visit the Assetinsure website at

www.assetinsure.com.au

Provided We have received payment of the Premium, this PDS, plus any amendments to it We provide You with, the Policy Wording and the Policy Schedule, forms Your contract of insurance with Us.

If You need to contact Assetinsure please do so through AWN by:

- **Post to:** P.O. Box 4301, Loganholme, QLD 4129
- **Calling:** (07) 3802 5577
- **Making an online query** through www.awninsurance.com.au

ABOUT AWN AND ITS SERVICES

Australian Warranty Network Pty Ltd trading as

AWN Insurance (ABN 78 075 483 206, AFSL 246469) (AWN)

P.O. Box 4301, Loganholme, QLD 4129

AWN performs claims and Policy administration functions on Assetinsure's behalf under a binding authority. In issuing this Warranty the Selling Agent is acting as an agent of AWN and not as Your agent. Some of the Premium received is paid to the Selling Agent as commission. Details of the commission received by the Selling Agent are set out in the Financial Services Guide that the Selling Agent will provide to You.

For all enquiries relating to the Policy please contact AWN by:

- **Post to:** P.O. Box 4301, Loganholme, QLD 4129
- **Calling:** (07) 3802 5577
- **Making an online query** through www.awninsurance.com.au

BENEFITS OF THE WARRANTY

This product will provide a benefit to You should a mechanical breakdown occur, and that mechanical breakdown is caused by a defect, failure or fault of a Covered Component under the terms of this Warranty. In the event of a mechanical breakdown, Covered Components will be rectified up to the limits allowed. The terms, limits and exclusions that apply to this Warranty are set out in the Warranty documents.

The cover provided by this Warranty saves You the cost of repairs should a mechanical breakdown in a Covered Component occur. Further, AWN's experience, knowledge and expertise means that AWN can direct Your Motor Vehicle to the closest Approved Repairer. At an Approved Repairer, parts for repairs can generally be sourced at a lower cost, which may represent a saving to You where a claim exceeds the limits of Our liability under this Warranty.

COST OF THE WARRANTY

The cost of the Warranty is dependent on the type of Motor Vehicle, the age and kilometres already travelled by the Motor Vehicle and the cover term You select. In addition to the retail Warranty price, You also need to pay any applicable Commonwealth and State taxes and charges, such as Goods and Services Tax (GST) and Stamp Duty. The retail Warranty price and the amount of these taxes and/or charges will be shown on Your Policy Schedule.

The cost of the Warranty will also be determined by the payment method used by You. If the Warranty is financed or if You use a credit card, interest charges may apply but will differ depending on Your provider. Administration charges may also apply if You select to pay by instalments.

PAY BY INSTALMENT

You can choose to pay the Premium by instalments to help spread Your payment over time. This facility is not part of the terms and conditions of Your Warranty as it is an additional service provided by a third-party provider. Additional administration charges will apply to use this facility; therefore the cost will be more than if You choose to pay the full Premium in a single payment. The third-party provider will provide all disclosure documentation for Your consideration.

The following applies when paying Your Premium by instalments:

- If You are paying by instalments and an instalment remains unpaid for 14 days or more, We may refuse a claim.
- If an instalment remains unpaid for a period of one month past its due date, We can cancel the Policy.
- If You have a claim, We shall deduct the instalments for the remaining Policy Term from the amount We pay You for an authorised claim.
- If Your Warranty is cancelled (for whatever reason) and You are paying by instalments, any premium refund otherwise due to You will be reduced by any unpaid instalments still outstanding.

ADDITIONAL INFORMATION AND CONFIRMATION OF TRANSACTIONS

If You require additional information about the Warranty or wish to confirm a transaction, please contact AWN.

FINANCIAL CLAIMS SCHEME

In the unlikely event Assetinsure becomes insolvent and cannot meet its obligations under this Policy, You may be entitled to payment under the Financial Claims Scheme. Access to the Financial Claims Scheme is subject to eligibility criteria. More information about the scheme can be obtained from www.fcs.gov.au.

The insurer of this Policy, Assetinsure, is a general insurer authorised to carry on insurance business in Australia and this Policy may be a 'protected policy' as defined under the Insurance Act 1973 (Cth) (Insurance Act). This means that if the insurer becomes insolvent, You may be entitled to payment under the Financial Claims Scheme that is available under the Insurance Act.

The Insurance Act is administered by the APRA and further information about the Financial Claims Scheme can be obtained from the APRA website at www.apra.gov.au or on the APRA hotline on 1300 131 060.

PART B: POLICY WORDING

Please read this Policy Wording and the PDS for full details of what We cover, as well as what Policy limits, conditions and exclusions that apply.

1. ELIGIBILITY

This Warranty is available if Your Motor Vehicle is a make and model which We will cover (please note that not all makes, and models are eligible, the Selling Agent will advise whether the make and model are eligible).

For eligible makes and models, the Motor Vehicle:

- Must be at least four (4) years old but not more than fifteen (15) years old;
- Has travelled more than 160,000 km's but not more than 200,000 km's since new;
- Not eligible for either AWN's "MBW Market Value" or "MBW 5000" coverage;
- Has a Glass's Guide New Price of \$100,000 or less;
- Has not been modified from the manufacturer specification which would have any effect on the Covered Components;
- Is registered in Australia.

We will not offer You cover if Your Motor Vehicle is used for commercial purposes, emergency services, motorsports or other unacceptable uses. Your Selling Agent can advise if the Motor Vehicle is ineligible due to unacceptable use.

2. WARRANTY COVER

| Coverage | Covered Components | Claim Limit |
|----------------------------------|---|--|
| Extension of Mechanical Coverage | You are covered against the failure of the any of the components that would have been covered by the original Manufacturer's Warranty subject to the terms & conditions of this Warranty. | \$3,000 per individual claim, up to the Purchase Price of Your Motor Vehicle in aggregate. |

For all limits of liability and exclusions of the Warranty, please refer to the Limits of Liability, Exclusions and Miscellaneous sections under Terms and Conditions.

3. OPTIONAL TYRE & WHEEL COVER

| Coverage | Covered Components | Claim Limit |
|--------------------------------|---|---|
| Optional Tyre & Wheel Coverage | You are covered for all puncture repairs arising in any year of cover as well as for structural damage to Your tyres and wheels | Up to 4 replacement tyres per annum, Up to \$3,000 on repairing or replacing wheels per annum |

Tyre and Wheel cover is an optional extra level of cover available to You for an additional premium.

When You select the Tyre and Wheel option We will list the coverage in Your Policy Schedule.

For all limits of liability and exclusions of the Warranty, please refer to section 10 (Limits of Liability), section 11 (Exclusions) and section 12 (Miscellaneous) of this Policy Wording.

4. ADDITIONAL BENEFITS - CUSTOMER CARE PACKAGE

Where We approve a claim in relation to the failure of a Covered Component under this Warranty, We will provide the following additional benefits where expenses are incurred, by reason of that claim. Customer Care Package runs for the term of the Warranty selected. Refer to Limits of Liability (section 10).

Towing assistance

(Claim limit: Up to \$300 per claim) - Reimbursement up to the claim limit for towing charges in the event of a covered mechanical breakdown where Your Motor Vehicle is unable to be quickly mechanically repaired where it is located or safely driven to an Approved Repairer

Accommodation assistance

(Claim limit: Up to \$300 per claim) - Reimbursement up to the claim limit for emergency accommodation, arrangements and costs in the event of a covered major vehicle breakdown where You are more than 400 km's from Your registered residence and the covered breakdown takes more than 48 hours to repair.

Car hire assistance

(Claim limit: Up to \$300 per claim) - Reimbursement up to the claim limit for car hire costs in the event of a covered major vehicle breakdown where You are more than 400 km's from Your registered residence and the covered breakdown takes more than 48 hours to repair.

Quality guarantee

All repairs to Covered Components authorised by Us prior to the commencement of repairs will be covered by the Warranty for the remaining period of cover. You may also have the benefit of consumer guarantees under the Australian Consumer Law in relation to the repairs and any replacement components.

5. PERIOD OF COVER

This Warranty commences on the latest of the following dates;

- the date that the Manufacturer Warranty expires;
- the date that the Selling Agent's Statutory Warranty expires; and
- if no Manufacturer Warranty or Selling Agent Statutory Warranty exists, upon the expiry of 90 days after the Policy Schedule is issued to You, or when the Motor Vehicle has travelled 5,000 km's since the date of purchase, whichever occurs first.

This Warranty will cease on the sooner of;

- the date selected by You as the Warranty expiry date listed under Warranty Details on the Policy Schedule; or
- when the maximum claim benefit of the Warranty has been reached; or
- when the Motor Vehicle has travelled a total distance of 250,000 km's since new; or
- in the event You fail to comply with the Warranty service requirements; or
- when the Warranty is cancelled by You in accordance with the Cooling-off period (section 13).

Any optional Tyre and Wheel cover commences on the same date as the Warranty commences, or on an anniversary of the Warranty commencement date, and ceases 12 months later.

6. PRE-CONDITIONS

It is a precondition of this Warranty that;

- the Warranty is purchased from an authorised Selling Agent; and
- at the commencement of Your Warranty, the Motor Vehicle is in good mechanical condition, with no Pre-Existing Faults. Failure to disclose any Pre-Existing Faults may void this Warranty; and
- the Motor Vehicle is currently registered; and
- the Motor Vehicle when purchased has a current Certificate of Roadworthiness or Safety Inspection report; and
- the Premium and the signed Warranty Application Page must be received and approved by AWN on the Warranty Application Date.

It is a precondition of any optional Tyre and Wheel that;

- the tyres and wheels on Your Motor Vehicle are in a good, roadworthy condition, with no Pre-Existing Faults, at the start of every year of cover (including any ongoing renewals)

Optional Tyre and Wheel cover does not provide cover against tyres simply wearing out (and it does not provide any cover if the tyres are unroadworthy at the time of any claim event).

7. OUR OBLIGATIONS

- AWN will process Your application within five (5) business days of receipt and either accept or decline to provide cover.
- If AWN does not receive a payment within twenty-one (21) days of the Application Date, the Warranty Policy will be considered never to have commenced and AWN will advise You that AMN declines to provide coverage.
- Provided cover is granted, We will pay for the repairs or replacement of any broken or damaged Covered Components causing mechanical breakdown with consideration of whether the Motor Vehicle purchased is a used Motor Vehicle. If a Covered Component of a used Motor Vehicle requires replacement, We may replace it with a reconditioned or similar component.
- You should advise Your repairer that any repairs We agree to pay for must be undertaken by an AWN Approved Repairer at a price acceptable to AWN. Your repairer will know if they are approved by Us, otherwise, they can call AWN to confirm.
- The monetary limits of Our obligations are set out in Limits of Liability (Section 10).

8. YOUR OBLIGATIONS

You agree that from the Warranty Application Date You must comply with the following essential terms:

Servicing requirements: It is a condition of this Warranty that Your Motor Vehicle is maintained in a roadworthy, mechanically sound condition and serviced regularly in accordance with the Motor Vehicle manufacturer's recommendations by a certified and qualified professional. It is Your responsibility to ensure that servicing is completed in accordance with the manufacturer's recommendations. If You are unsure of these, please contact the manufacturer to ascertain the recommended servicing schedule for Your Motor Vehicle. Please also note that this Warranty requires servicing to be completed at the lesser interval of kilometres or months, whichever occurs first.

Service invoice records:

1. Submit Your service records via Our website by going to; www.awninsurance.com.au search for Your Warranty, and submit Your service details but no later than at a claim time; or
2. To post the relevant service coupon attached to this Warranty and the Mechanic's Tax Invoice (or legible copy) to AWN, P.O. Box 4301, Loganholme, QLD 4129, promptly after the service is completed.

The processing of Your claim may be delayed or declined if We do not have invoices or other satisfactory evidence detailing the service history of the Motor Vehicle.

Minimise damage: That You, or any person in control of the Motor Vehicle, must take all reasonable precautions to minimise damage to the Covered Components and/or the Motor Vehicle, and must not continue to operate the Motor Vehicle if damage to a Covered Component is reasonably suspected.

If You have taken the Tyre and Wheel option, minimising damage also applies to driving with punctured and/or structurally damaged tyres and/or structurally damaged wheels. If any of Your tyres are punctured and/or structurally damaged and/or Your Wheels are structurally damaged, You should stop driving as soon as it is practical and/or safe to do so.

Note: Failure to comply with these essential terms may delay, reduce or invalidate Your claim.

9. ASSESSMENT AND AUTHORISATION

- Upon receipt of a claim enquiry, AWN will check whether Your claim is valid under this Warranty and that all Your obligations have been adhered to; and
- If so, AWN may ask for the Motor Vehicle to be inspected by one of their Approved Repairers; and
- If the claim is valid, AWN will give approval for their Approved Repairer to repair the Motor Vehicle within the terms of this Warranty.
- If the claim is not valid, then You shall be responsible for the cost of the inspection.
- No reimbursement shall be given for any work commenced without official authorisation being issued by AWN to the Approved Repairer.

10. LIMITS OF LIABILITY

- The maximum amount payable whilst this Warranty is in force for the total of all claims (including Customer Care Package), shall not exceed the Purchase Price of the Motor Vehicle at the time of claim, as determined by Us. In addition, no payment for any one individual claim shall exceed \$3,000. If the amount required to complete the repair exceeds \$3,000, You will be required to make a co-contribution for any amount in excess of \$3,000, if You wish for the repairs to be completed by Us.
- Any optional (annually renewable) Tyre and Wheel cover provides unlimited puncture repairs but is limited to the replacement of up to 4 tyres per annum and up to \$3,000 per annum to repair or replace wheels, with any replacements being of a comparable standard and quality to those items being replaced.
- Customer Care Package: \$300 per claim (up to a maximum of \$900 for the term of the Warranty). A claim will only be considered where a claim is made in relation to a failure of the Covered Component that is approved by Us under this Warranty and will be reimbursed to You on submission of paid tax invoices or receipts.
- Subject to the satisfactory completion of the repairs, You agree to accept such payments to cover the full cost of repairs to the Covered Components of the Motor Vehicle whether paid to You or to the Approved Repairer on Your behalf to be in full satisfaction of the claim.
- Acceptance of the payment and/or Motor Vehicle after the repairs have been satisfactorily completed shall also be deemed to be in full satisfaction of the claim.
- All claim limits are the GST inclusive cost of the repairs.

11. EXCLUSIONS

This Mechanical Breakdown Warranty does not cover:

- Motor vehicles modified beyond manufacturer's specifications which has any effect on a Covered Component, commercial motor vehicles over 1,500 kg carrying capacity, motor vehicles used or have been used for the conveyance of passengers, for fare or reward (this includes car rental), delivery or courier use, Police or Emergency motor vehicles, driver's instruction or tuition for reward.
- Any damage due to misuse, fire, accident, theft, impact, submersion in water, neglect, rust, corrosion, towing without suitable equipment as recommended by the manufacturer, or motor vehicles used or tested in preparation for motorsports events in any form.
- Any damage to Covered Components occurring from overheating or lack of oil or lubricant, low fluid level, any damage caused by failure to maintain correct service requirements and any damage, which is consequential of the failure to maintain correct servicing requirements.
- Any damage, loss or expense of any kind, which occurs or arises as a result of the failure of a Covered Component, other than the cost of replacing or repairing the component itself.
- Any damage, loss or expense of any kind which occurs or arises as a result of the failure of any item or component of the Motor Vehicle which is not a Covered Component under this Warranty.
- The cost of any consumables that are replaced during the course of repairs.
- Any component that is part of any manufacturer's fault and/or recall campaign or is reusable.
- Oil leaks, water leaks, Normal Wear and Tear, all service and maintenance items and any consumables that are replaced during routine service and maintenance, or any failure of Covered Components due to water, oil, and fuel or coolant contamination.
- Any repair, quote or diagnostic cost that is not part of a genuine, approved claim.
- Any damage occurring while You continue to drive with a known or suspected fault, or which a reasonable person in the position of the driver would or should know or suspect to be a fault.
- Conditions or problems that are Pre-Existing Faults or Pre-Activated Faults.
- Failures of Covered Components subsequent to the cancellation or expiry of the Manufacturer's Warranty.
- Failures of Covered Components resulting in any way from:
 - War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, riot or civil commotion, terrorist activity of any kind;
 - Ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- Anything not covered by the Manufacturer's Warranty when Your vehicle was sold new.
- Structural failure of the Motor Vehicle.
- Computer software upgrades and recoding.
- Any of the following components: any paint, trim or panel.

Additional Exclusions applicable to Tyre & Wheel cover only

- Any optional Tyre and Wheel cover does not provide for:
 - Tyres that are not roadworthy, at any time
 - Wheels that are not roadworthy, when the cover is renewed
 - Tyres that have been re-treaded
 - Temporary or Space-Saver Tyres
 - Tyres that are not actually fitted to Your Motor Vehicle
 - Cosmetic damage, that is not structural, caused by scratching, bruising or gutter rash
- Damage to Tyres or Wheels caused by:
 - Motor Vehicle Accidents;
 - Negligence, vandalism, malicious acts, abuse or misuse.
- Using the Motor Vehicle outside of the manufacturer's specifications.
- Motor Vehicle modifications that deviate from the manufacturer's original specifications.
- Wheel alignment (unless approved by us as part of a claim).
- Wheel assembly components including hubs, brakes, bearings or axles.
- Any consequential financial or non-financial loss, damage or liability incurred as a consequence of the event giving rise to a claim.

12. MISCELLANEOUS

- This is a mechanical breakdown Warranty for used motor vehicles, therefore a part may be worn but still quite safe and serviceable.
- We will not be liable or held responsible for any damage occurring while the Motor Vehicle is left unattended or being towed.
- We will not be held responsible for any delays due to a lack of supply of parts or any materials needed to complete any work undertaken.
- At all times, the odometer must work. If the odometer has been tampered with, made inoperative or altered, or should any false statement be made by You or any person acting on Your behalf or otherwise, with Your knowledge, in support of any claim, then this Warranty will be cancelled and Your rights to a claim shall be forfeited in respect of all past, present and future claims.

13. COOLING-OFF PERIOD

You may cancel this Warranty for any reason within 30 days from the Application Date of the Policy by notifying Us in writing at PO Box 4301, Loganholme, Qld 4129, or by calling Us or emailing Us at claims@awninsurance.com.au. This is known as the "Cooling-off Period". You will need to return the Policy Schedule to Us, together with a letter to request cancellation of the Warranty during the Cooling-off period. If the Warranty has been issued to more than one person each person must sign the cancellation request. Provided no claim has been paid or You have not made a valid claim, We will refund the Premium paid, less any taxes or duties We cannot recover from other sources. After the Cooling-off Period ends You still have cancellation rights (see Section 14).

14. CANCELLATION

We are required by law to provide certain guarantees in providing Our Warranty claims service. If We fail to comply with Our obligations, You may be entitled to a remedy including cancellation of this Warranty and/or a refund. Cancellation requests must be made in writing at the address of P.O. Box 4301, LOGANHOLME, QLD, 4129.

If We agree to cancel this Warranty, You will receive a refund of the Premium using the "Rule of 78" formula, less any government charges We are unable to recover.

If the Warranty Premium is financed, any refund will be made to the financier or whomever the financier directs Us to pay.

The "Rule of 78" formula is defined as follows:

$$\text{Refund} = P \times (S(S+1))/(T(T+1)),$$

where;

S is the number of complete months remaining of Your Policy Term.

T is the total number of months in Your original Policy Term.

P is the original premium You paid for the Policy.

This is the same partial premium refund formula that is required to be used under the National Consumer Credit Protection Act (2009) when a Consumer Credit Insurance contract is cancelled.

Cancellation example 1

You purchase a 36-month Warranty from Us for a premium of \$1,800. You do not pay the premium by instalments. You do not have any claims.

After 17 months and 2 weeks, You decide to cancel Your Policy:

There are 18 complete months remaining of the original 36-month Policy Term.

Your refund is therefore:

$$\text{Refund} = (18 \times 19)/(36 \times 37) \times \$1,800 = \$462.16.$$

Cancellation example 2

You purchase a 36-month Warranty from Us for a premium of \$1,800. You elect to pay the premium by instalments over 24 months at \$90 per month. You do not have any claims.

After 17 months and 2 weeks, You decide to cancel Your Policy:

In the absence of an instalment plan, Your refund of premium would have been \$462.16.

However, as You still have 7 instalments outstanding ($7 \times \$90 = \630) You would not receive any refund of premium.

Cancellation example 3

You purchase a 36-month Warranty from Us for a premium of \$1,800. You do not pay the premium by instalments. You have one claim for \$400.

After 17 months and 2 weeks, You decide to cancel Your Policy:

Your refund is therefore: \$462.16 less the \$400 in claims We have paid.

That is, Your refund is \$62.16.

Cancellation example 4

You purchase a 36-month Warranty from Us for a premium of \$1,800. You do not pay the premium by instalments. You have one claim for \$1,200.

After 17 months and 2 weeks, You decide to cancel Your Policy:

As the amount You have claimed (\$1,200) is more than the refund otherwise available to You (\$462.16), Your refund is \$0.

We may cancel the Warranty if:

- You fail to comply with Your obligations;
- You, or a person acting on Your behalf, or otherwise with Your knowledge, provide false or misleading information in relation to a claim;
- If the Motor Vehicle's odometer has been tampered with or is defective;
- If the Motor Vehicle has at any time been used for rallying, racing, and competitive driving or tested for any such events.

15. TRANSFER

This Warranty cannot be transferred to another motor vehicle or motor vehicle dealer.

If You are not in breach of the terms of this Warranty You may transfer the benefits of this Warranty to a new owner of the Motor Vehicle. As a prerequisite to transferring the Warranty We require:

- A transfer and administration fee of \$75 payable to Us by the new owner.
- A completed Transfer of Warranty application form

Apply for and submit Your transfer of Warranty application via AWN's website: www.awninsurance.com.au

16. DOCUMENT REPLACEMENT

In the event You lose or are unable to locate Your Policy Schedule, You may apply for a replacement document. A Fee of \$33 will be payable to Us for this service.

17. YOUR DUTY OF REASONABLE CARE

Before You enter into any Policy with Us, You have a duty of reasonable care under the Insurance Contracts Act 1984 (Cth) (Insurance Contracts Act). The Insurance Contracts Act imposes a different duty the first time You enter into a contract of insurance with Us to that which applies when You vary, renew, extend or reinstate the contract.

This duty of reasonable care applies until the contract of insurance is entered into (or varied, renewed, extended or reinstated).

Your duty of reasonable care when You enter into a contract of insurance with Us for the first time

When You answer Our questions that are relevant to Our decision about whether to accept the risk of insurance and, if so, on what terms, You must be honest and tell Us anything that You know and that a reasonable person in the circumstances would include in answer to the questions.

It is important that You understand You are answering Our questions in this way for Yourself and anyone else that You want to be covered by the contract of insurance.

Your duty of reasonable care when You vary, renew, extend or reinstate the contract of insurance

We may also give You a copy of anything You have previously told Us and ask You to tell Us if it has changed. If We do this:

- you must tell Us about any change (if You do not tell Us about a change, You will be taken to have told Us that there is no change); or
- tell Us that there is no change.

What You do not need to tell Us

Your duty however does not require disclosure of a matter;

- that diminishes the risk to be undertaken by Us; or
- that is of common knowledge; or

- that We know or, in the ordinary course of business, ought to know; or
- as to which compliance with Your duty is waived by Us.

Who needs to tell Us?

The duty of reasonable care applies to You and everyone that is insured under the contract of insurance.

If You do not tell Us

If You, or anyone insured under Your Policy, fails to comply with the duty of reasonable care, We may be entitled to reduce Our liability under Your contract of insurance in respect of a claim, cancel the contract or both. If the non-disclosure is fraudulent, We may also have the option of treating Your contract of insurance as if it never existed.

18. PRIVACY STATEMENT

This Privacy Statement describes how We collect, use, handle and disclose Your personal information. It also describes the matters to which You give Your consent when applying for a Policy.

Personal information We collect will be handled in accordance with Our Privacy Policy and the Privacy Act 1988 (Cth) (Privacy Act).

Our Privacy Policy includes information about Your right to access and seek correction of the personal information We hold about You and how You may do this, how You may make a complaint about a breach of Your privacy rights, and how We deal with complaints.

Collection and use of Your personal information

We usually collect personal information from You. In some circumstances, We may collect Your personal information from another person or another source – We usually only do this where it is unreasonable or impracticable for Assetinsure to collect it directly from You or You would expect Us to collect the information from the nominated third party. For example, where You authorise a representative (e.g. an insurance broker, a financial planner, a legal services provider, an agent or carer providing services) to You to deal with Us on Your behalf.

You agree that Your personal information may be collected, held and used by Us for the purpose of providing Our services to You, including offering and assessing an application for a Policy, and providing, managing and/or administering any Policy subsequently provided to You.

In addition, You agree that Your personal information may be collected, held and used for the purposes of corresponding with You, managing any claims You make and services We provide You, executing Your instructions, managing Our relationship with You, complying with legislative and regulatory requirements, for internal purposes (including risk management, underwriting and pricing, quality assurance and training purposes), collecting payments, responding to Your enquiries, marketing Our services and understanding services You may be interested in receiving (We may do this by calling You or sending You direct mail, such as by email to Your email address) and other purposes identified at the time of collecting Your information.

Consequences if information is not provided

If You do not provide Us with the information We need, We will be unable to consider Your application for insurance, administer Your Policy or manage any claim under Your Policy.

Disclosure of Your personal information

You agree that We may disclose Your personal information;

- to Assetinsure;
- to Our external service providers and contractors (such as any mail house, commercial agent or entities engaged by Us to carry out certain business activities on Our behalf, such as loss assessors, claims investigators, insurance reference bureaux, underwriters and re-insurers, lead generators, data analysts, claims reference providers, hospitals, medical and health professionals and information technology service providers);
- to Our related entities, assignees, agents and external advisers (such as legal and other professional advisers);
- to any other person We consider necessary to execute Your instructions;
- to any financial institution to or from which a payment is made in relation to any Policy You have; or
- in accordance with any consent, You give or where disclosure is authorised or compelled by law (for example, to law enforcement, regulatory, government and dispute resolution bodies).

Transfer of personal information overseas

You agree that We may disclose Your information to recipients located overseas, including the USA, Canada, Bermuda, Europe (including the United Kingdom), Singapore, Hong Kong, Asia-Pacific and India.

Information about another person

If You provide information about any other person, You agree to tell them that You are providing this information to Us, of Our contact details in this document, the reason You are providing their information, the fact that We have collected personal information from You and of the contents of this Privacy Statement.

How You can make a complaint and how they are handled

We are committed to providing quality services to You. This commitment extends to giving You easy access to people and processes that can resolve a service issue or complaint.

If You have a complaint about how We have handled Your personal information, please contact; The Privacy Officer, by contacting AWN on (07) 3802 5577 EST 9 am -5 pm, Monday - Friday.

We will do Our best to resolve it quickly and fairly.

If the matter cannot be resolved to Your satisfaction by Us, You have the right to refer the matter to the Australian Financial Complaints Authority (AFCA). AFCA is an external dispute resolution body that provides a free and independent dispute resolution service for retail clients.

AFCA can be contacted at:

Australian Financial Complaints Authority

Post: GPO Box 3, Melbourne Victoria 3001

Tel: 1800 931 678

Email: info@afca.org.au

Web: www.afca.org.au

A decision of AFCA is binding on Us (up to specified jurisdiction limits). A decision of AFCA is not binding on You and You have the right to seek further legal assistance.

More Information, Access, Correction or Complaints

For more information about Our privacy practices including how We collect, use or disclose information, how to access or seek correction to Your information or how to complain in relation to a breach of the Australian Privacy Principles and how such a complaint will be handled, please refer to Our Privacy Policy. AWN's Privacy Policy is available at www.awninsurance.com.au or by contacting AWN on (07) 3802 5577 EST 9 am - 5 pm, Monday - Friday.

Assetinsure's Privacy Policy (and all contact details) are currently available at <https://www.assetinsure.com.au/key-policies/privacy-policy/>

Your Choices

By providing Us with personal information, You and any person You provide personal information for, consent to these uses and disclosures unless You tell Us otherwise. If You wish to withdraw Your consent, please contact Us by calling (07) 3802 5577, alternatively, You can opt-out by emailing administration@awninsurance.com.au. We will cancel Your Warranty Policy and accordingly refund the Premium.

19. GST AND TAXATION

GST refers to the goods and services tax which is the subject of A New Tax System (Goods and Services Tax) Act 1999.

The Premium on this Policy includes an amount for GST and if We pay a claim Your GST status may determine the amount to be paid on the claim.

You must advise Us if You are registered, or required to be registered, for GST purposes, and You must when requested tell Us what Your entitlement to input tax credits (ITCs) is for Your Premium.

When determining the amount to be paid for a claim under this Policy, any payment or supply We make to You for the acquisition of goods, services or other supply (or monetary compensation in lieu thereof) or otherwise for Your claim will be calculated on the GST inclusive cost of Your claim. In calculating such payment, We are entitled to reduce it by any ITC to which You are, or would be, entitled;

- for the acquisition of such goods, services or other supply; or
- if the payment had been used to acquire such goods, services or other supply.

If You make a claim and We are obliged by law to withhold any amount from the payment in order to satisfy that law (for example, because You have not provided Your ABN where required to do so), the amount withheld will be treated as forming part of the claim payment paid under this Policy (even though You have not received the withheld amount).

Generally, Your Premium is not tax-deductible and claims payments are not assessable income for tax purposes unless You purchase Your Warranty for business purposes. This taxation information is a general statement only. You should seek professional taxation advice for information about Your personal circumstances.

20. HOW TO MAKE A CLAIM

- Read the Warranty carefully to ensure Your claim is covered by the Warranty.
- Telephone, write or lodge online. Contact details are:
Post: AWN Insurance, PO Box 4301, Loganholme, Qld 4129
Call: (07) 3802 5577
Making an online query through: www.awninsurance.com.au where You can lodge a claim 24/7
Email: claims@awninsurance.com.au
Office Hours: Monday to Friday 8:15 am to 5:15 pm (AEST)
- Quote the Warranty Policy number, registration number and current odometer reading.
- Explain fully the nature of the problem remembering that You are required to disclose to Us all information that is relevant in assisting Us to consider Your claim. If You fail to disclose such information Your rights to claim may be seriously affected and/or the claim may be rejected.
- Upon receipt of the above information, We will process and consider Your claim.

Additional requirements:

- Repairs will not be paid by Us unless an Authorisation Number is issued by Us to the Approved Repairer prior to the commencement of the repairs.
- In some cases, You will be given the opportunity to contribute something towards the cost of the repairs, i.e. any repairs that restore the Motor Vehicle to a better condition than the condition prior to the failure.
- You are to pay for any work not included in this claim.
- In the event of a mobile mechanic being called by Us, You agree that any work carried out by that or any mechanic that is not part of the cover or if the call is of a service nature then this cost shall be Your responsibility.
- If You have a problem with Your Motor Vehicle that is not claim related, just call Our claims department and We can still assist You through Our network of Approved Repairers Australia-Wide.

21. SUBROGATION

When We pay a claim under the Warranty, We have the right to take over and enforce any right You may have to recover the loss from another party. We may do this in Your name and You have an obligation to assist Us as required.

22. GENERAL INSURANCE CODE OF PRACTICE

AWN and Assefinsure subscribe to the General Insurance Code of Practice. The General Insurance Code of Practice was developed with the Insurance Council of Australia to further raise standards of practice and service areas across the insurance industry.

The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers' compliance with the Code.

You can obtain more information on the General Insurance Code of Practice and how it assists You by contacting Us on (02) 9251 8055.

For more information on the General Insurance Code of Practice and CGC go to www.codeofpractice.com.au.

23. DISPUTES RESOLUTION

Complaints about Policy and claim administration matters

If You wish to make a complaint about service matters such as general administration of Your Policy, You may request that it be dealt with by the supervisor or manager directly responsible for that area. If You are not satisfied Your complaint will be referred to Our Internal Dispute Resolution Committee (IDRC) to review the dispute at no cost to You.

You can contact Our Internal Dispute Resolution Panel at;

Internal Dispute Resolution Committee - AWN Insurance

Email: idr@awninsurance.com.au

Phone: (07) 3802 5577

Post: PO Box 4301, Loganholme QLD 4129

If You are still not satisfied with the outcome of the AWN IDRC review of Your dispute, You can take the matter to Assefinsure to review the dispute at no cost to You.

Assetinsure can be contacted at;

| Assetinsure Pty Ltd | |
|--|------------------------------|
| Email: claims@assetinsure.com.au | Phone: (02) 9251 8055 |
| Post: PO Box R299, Sydney NSW 1225 | |

If You are still not satisfied with the outcome of either Awn's review or Assetinsure's review, You may take the matter to the external disputes resolution body. The external resolution body is the Australian Financial Complaints Authority (AFCA).

AFCA can be contacted on:

| AFCA Contact Details | |
|--|--|
| Email: info@afca.org.au | Phone: 1800 931 678 (free call) |
| Post: GPO Box 3 Melbourne VIC 3001 | Web: www.afca.org.au |

They provide an independent service that will investigate Your complaint and provide a ruling at no cost to You.

Further details will be provided at the appropriate stage of the complaints process. This complaints procedure does not affect Your legal rights.

24. LEGAL AND REGULATORY INFORMATION

Governing Law

The Policy is governed by the laws of Australia. Any dispute relating to the Policy shall be submitted to the exclusive jurisdiction of an Australian Court within the State or Territory in which the Policy was issued.

Sanctions

We shall not provide any benefit under this contract of insurance to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition, or restriction imposed by law or regulation.

PART C: DEFINITIONS

There are a number of words in this document that have a specific meaning:

Application Date means the date the Warranty application was submitted to AWN as specified in the Policy Schedule.

Application Page means the Warranty application contained in this document or Our electronic sales portal.

Approved Repairer means a licensed mechanical workshop approved by AWN to carry out repairs.

Australian Consumer Law means Schedule 2 of the Competition and Consumer Act 2010 (Cth) (as adopted by each Australian State and Territory).

Authorisation Number means the number issued by AWN's claims department to an Approved Repairer after receiving the Approved Repairers quote authorising the Approved Repairer to proceed with the repairs.

AWN means Australian Warranty Network Pty Ltd trading as AWN Insurance (ABN 78 075 483 206).

Covered Component(s) means only those mechanical components or parts of Your Motor Vehicle that were originally covered by the Manufacturer's Warranty. Please refer to Exclusions (Section 10).

Glass's Guide means an Australian automotive reference publication that provides extensive and detailed vehicle data, including make, model, body style (e.g., sedan, SUV, etc.), tyre dimensions, drivetrain (e.g. 4WD etc.), New Price, as well as retail and trade vehicle values applicable to the vehicle's age, kilometres it has travelled and condition, and so forth.

Market Value means the purchase price of the Motor Vehicle excluding any modifications, aftermarket accessories, any interest fees and charges, insurances and government taxes.

Manufacturer's Warranty means the warranty provided by the manufacturer applicable to the Motor Vehicle at the time Your Motor Vehicle was purchased as new, but for the purposes of this Warranty, limited to only those mechanical components of the Motor Vehicle covered by the Warranty.

Mechanical Breakdown Warranty means the cover provided by the Warranty.

Motor Vehicle means the used Motor Vehicle specified on the Policy Schedule and Warranty Application Page in this document.

New Price means the price of the vehicle when it was sold new according to the Glass's Guide database. The Glass's Guide New Price may be slightly different to the actual price paid for any given vehicle when it was new, due to effects such as special deals on stock clearance or the addition of optional extras. Regardless of the actual price paid for the vehicle when it was sold new, New Price means the value according to Glass's Guide.

Normal Wear and Tear means the gradual reduction in operating performance of a Covered Component due to the use of the Motor vehicle (relative to the age of the Motor Vehicle, service history and kilometres travelled).

Policy means this MBW insurance policy.

Policy Term means the period defined by the Cover Commencement Date and the cover expiry date stated on Your Policy Schedule unless it ends earlier in accordance with the terms of this Policy (see Section 5).

Policy Schedule means the document We provide to You, which that You as the policyholder and sets out what this Warranty covers You for including relevant limits, sums insured and excesses. We will replace Your Policy Schedule whenever You make any changes to the Warranty.

Pre-Activated Fault means any fault occurring prior to the commencement of the Warranty.

Pre-Existing Fault means a fault with a Covered Component of the Motor Vehicle, whether known or unknown to You, which existed, or where in the opinion of an expert repairer it may reasonably be assumed to have existed, prior to the Warranty Application Date.

Premium means the amount paid for this Warranty.

Purchase Price means the amount You paid for the vehicle insured by this Warranty excluding any government charges.

Selling Agent means an individual or company appointed by AWN as an authorised representative (as that term is defined in the Corporations Act 2001 (Cth)).

Selling Agent Statutory Warranty means the warranty required by the relevant State or Territory law to be provided to You by the Selling Agent (where applicable).

Warranty means this insurance document.

We, Our, Us means Assetinsure acting through their cover holder AWN.

You, Your means the person(s) named on the Policy Schedule and Warranty Application Page.

Financial Services Guide

Date of Issue:

Authorised Representative Details

"WE", "US", "OUR":

ABN:

Address:

AR Number:

Phone:

Third Party Introducer (TPI) Details (if applicable)

TPI:

ABN:

Address:

Phone:

WHAT IS THE PURPOSE OF THE FINANCIAL SERVICES GUIDE?

This Financial Services Guide (FSG) is designed to assist You in deciding whether You wish to use any of the services We provide. It contains information about how We are remunerated in relation to the services, and about how You may access AWN Insurance's internal and external dispute resolution procedures.

THIS FSG CONTAINS INFORMATION ABOUT:

- The services We are authorised to provide to You;
- How We are remunerated for providing these services;
- How complaints are dealt with; and
- Other important information.

WHAT DOCUMENTS WILL YOU RECEIVE?

When providing You with a quote or issuing the insurance, We will give You:

- The FSG, which has been approved for distribution by AWN.
- A Product Disclosure Statement (PDS), contains sufficient information so that a retail client may make an informed decision about whether to purchase a financial product.

HOW YOU CAN PROVIDE INSTRUCTION TO US

If You want to provide Us with instructions in relation to the financial services and products We can offer, contact Us using the details provided above.

ABOUT US AND OUR SERVICES

We are an Authorised Representative of the following licensee:

Australian Warranty Network Pty Ltd trading as AWN Insurance (AWN)

ABN: 78 075 483 206 | **AFSL No:** 246469.

Address: 3801 - 3803 Pacific Highway, Tanah Merah QLD 4128

Tel: (07) 3802 5577 | **Fax:** (07) 3806 1505

Email: claims@awninsurance.com.au

AWN provides the listed products underwritten by Assetinsure Pty Ltd.

We are authorised to do the following on behalf of AWN in accordance with the terms of Our agreement with them:

- Issue and apply for the financial products listed below.
- Provide general financial product advice (which means AWN does not provide tailored advice that takes into account Your personal objectives, financial situation or needs) on general insurance products;

- Deal in general insurance products, including by distributing the Policy and issuing the Policy on behalf of the insurer, Assetinsure; and
- Claims handling and settling services, including to handle and settle claims You make under the Policy,
- To retail and wholesale clients.

AWN issues the Policy under a binding authority given by the insurer, Assetinsure. This authority allows AWN to issue the Policies as if AWN was the insurer. When We do this We act as an agent of the insurer (not You).

Products:

- Mechanical Breakdown Warranty (including optional Tyre and Wheel Insurance)
- Asset Protection Insurance

HOW ARE WE REMUNERATED?

Authorised representatives

Our representatives receive a commission when We arrange Your products. The amount is calculated as a percentage of the Premium (excluding taxes and statutory charges) and is included in the Premium quoted to You. This will generally be 30% of the Premium.

AWN may also provide benefits in the form of advertising and promotional material, admission to sales seminars, business related conferences and attendance at sporting or hospitality events. These are provided at no additional cost to You.

Third party introducer (if applicable and noted above)

The Third Party Introducer (TPI) receives from AWN in the form of an agreed fee, an amount to complete relevant duties as agreed by AWN and the TPI. These fees are included in the Premium quoted to You.

If You require more detailed information about the remuneration that is received, please contact AWN within a reasonable time after the FSG is provided to You and before the financial service is provided to You.

Authorising licensee

AWN is also paid a share of the Premium (excluding taxes and statutory charges) by Assetinsure when You are issued with a Product to cover Our operational expenses. The share is included in the Premium charged by the Authorised Representative.

AWN Insurance may also receive a profit share. The profit share is only payable to Us if certain profitability targets are met.

AWN Insurance’s employees are paid an annual salary and may be paid a bonus based on performance criteria.

If You require more detailed information about the remuneration that is received please contact AWN within a reasonable time after the FSG is provided to You and before the financial service is provided to You.

PROFESSIONAL INDEMNITY INSURANCE OF LICENSEE

We have professional indemnity insurance, which covers AWN for claims by retail clients that relate to the financial services provided by AWN and its representatives, including its employees. This satisfies the compensation arrangements required under section 912B of the Corporations Act. AWN is also covered for claims against former representatives while they acted on AWN’s behalf.

You do not have a direct right to claim under this insurance.