

Comprehensive Car and Third Party Insurance

Supplementary Product Disclosure Statement

Date prepared: 22 September 2023 | Effective date: 9 November 2023

This Supplementary Product Disclosure Statement (SPDS) is dated **22 September 2023** and must be read in conjunction with **RACT Comprehensive Car and Third Party Insurance Product Disclosure Statement** version F1310 09/21 (PDS).

This SPDS applies to policies with an effective date on or after 9 November 2023. The information in this SPDS updates the terms contained in the PDS and should be read together with the PDS and any other applicable SPDS.

Comprehensive Car and Third Party Insurance is issued by RACT Insurance Pty Ltd
ABN 96 068 167 804 AFS Licence No 229076.

If you would like another copy of your PDS, please go to ract.com.au, call 13 27 22 or visit an RACT branch.

The purpose of this SPDS is to:

- Update information about when an excess is not payable
- Update how we settle claims
- Update information about how we determine whether your car is a total loss
- Update our repair guarantee
- Update the exclusion relating to an unlicensed driver
- Update the definition of 'Market Value'

RACT Insurance Pty Ltd | GPO Box 1292, Hobart TAS 7001 | ABN 96 068 167 804



ract.com.au | 13 27 22

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Changes to your PDS

Your PDS is amended by the following:

Change 1 – Update to ‘Excesses’

- a) Your PDS is amended by removing the following on page 6 under the ‘Excesses’ section of comprehensive insurance:

An excess is payable on all claims except:

- *incidents involving another vehicle where we agree the driver of the other vehicle is at fault;*

Updated wording is as follows:

An excess is payable on all claims except:

- incidents involving another vehicle where we agree, acting reasonably, that the driver of the other vehicle is at fault.

- b) Your PDS is amended by removing the following on page 24 under the ‘Excesses’ section of third party insurance:

An excess is payable on all claims except:

- *incidents involving another vehicle where we agree the driver of the other vehicle is at fault;*

Updated wording is as follows:

An excess is payable on all claims except:

- incidents involving another vehicle where we agree, acting reasonably, that the driver of the other vehicle is at fault;

Change 2 – Update to ‘When your car has been damaged’

- a) Your PDS is amended by removing the following on page 6 under the ‘When your car has been damaged’ section of comprehensive insurance:

When your car has been accidentally damaged in an incident covered by your policy, at our option we will, either:

- *repair your car; or*
- *pay you a cash settlement to repair your car (subject to the maximum limits below); or*
- *declare your car a total loss - see page 9.*

Updated wording is as follows:

When your car has been accidentally damaged in an incident covered by your policy, at our option, acting reasonably and having regard to your preference, we will, either:

- **repair your car; or**
- **pay you a cash settlement to repair your car (subject to the maximum limits below); or**
- **declare your car a total loss - see page 9.**

In determining whether to declare your car a total loss, we will have regard to the requirements of relevant law, including whether it is uneconomical or unsafe to repair.

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Change 2 – Update to ‘When your car has been damaged’ (continued)

- b) Your PDS is amended by removing the following on page 24 under the ‘When your car has been damaged’ section of third party insurance:

When your car has been accidentally damaged in an incident covered by your policy, at our option we will, either:

- *repair your car; or*
- *pay you a cash settlement to repair your car (subject to the maximum limits below); or*
- *pay you up to the maximum limit under ‘Damage to your car caused by an uninsured driver’ on page 26; or when you have selected the option, ‘Optional fire and theft cover for your car (optional cover)’ on page 27.*

Updated wording is as follows:

When your car has been accidentally damaged in an incident covered by your policy, at our option, acting reasonably and having regard to your preference, we will, either:

- repair your car; or
- pay you a cash settlement to repair your car (subject to the maximum limits below); or
- pay you up to the maximum limit under ‘Damage to your car caused by an uninsured driver’ on page 26; or when you have selected the option, ‘Optional fire and theft cover for your car (optional cover)’ on page 27.

- c) Your PDS is amended by removing the following on page 6 under the ‘Guaranteed repairs’ section of comprehensive insurance:

We guarantee the quality of the materials and workmanship used in repairs we authorise for as long as you own your car. We will rectify any problems arising from the repair that we agree have been caused by faulty materials or workmanship.

Where we are satisfied that a repair, completed by a repairer selected and directly authorised by us, requires rectification and because of that you are responsible for all running costs and any extra expense, including paying a deposit to the hire car company (please see Note on page 11 in the hire cars section for conditions) over and above what we would provide to you in your policy, then we will arrange this for you and cover the reasonable costs of that hire. This benefit is only provided to you and is not available to third parties.

Updated wording is as follows:

We guarantee the quality of the materials and workmanship used in repairs we authorise for as long as you own your car. We will rectify any problems arising from the repair that have been caused by faulty materials or workmanship.

Where a repair, completed by a repairer selected and directly authorised by us, requires rectification and because of that you are responsible for all running costs and any extra expense, including paying a deposit to the hire car company (please see Note on page 11 in the hire cars section for conditions) over and above what we would provide to you in your policy, then we will arrange this for you and cover the reasonable costs of that hire. This benefit is only provided to you and is not available to third parties.

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Change 2 – Update to ‘When your car has been damaged’ (continued)

- d) Your PDS is amended by removing the following on page 25 under the ‘Guaranteed repairs’ section of third party insurance:

We guarantee the quality of the materials and workmanship used in repairs we authorise for as long as you own your car. We will rectify any problems arising from the repair that we agree have been caused by faulty materials or workmanship.

Where we are satisfied that a repair completed by a repairer selected and directly authorised by us, requires rectification and because of that you need a hire car over and above what we would provide to you in your policy, then we will arrange this for you and cover the reasonable costs of the hire.

Updated wording is as follows:

We guarantee the quality of the materials and workmanship used in repairs we authorise for as long as you own your car. We will rectify any problems arising from the repair that have been caused by faulty materials or workmanship.

Where a repair completed by a repairer selected and directly authorised by us requires rectification and because of that you need a hire car over and above what we would provide to you in your policy, then we will arrange this for you and cover the reasonable costs of the hire.

Change 3 – Update to ‘What your policy covers’

- a) Your PDS is amended by removing the following on page 9 under the ‘When we declare your car a total loss’ section of comprehensive insurance:

Limit:

The most we will pay for your car is the Agreed Value.

Updated wording is as follows:

Limit:

We will pay the Agreed Value.

- b) Your PDS is also amended by removing the following on page 28 under the ‘When we declare your car a total loss’ section of third party insurance:

Note:

Applicable to ‘Damage to your car caused by an uninsured driver’ on page 26 and ‘Fire and theft cover for your car (optional cover)’ on page 27. When we make our payment your policy comes to an end. We will deduct from our payment any excesses, unpaid portion of your premium and the unused portion of your registration.

Updated wording is as follows:

Note:

Applicable to ‘Damage to your car caused by an uninsured driver’ on page 26 and ‘Fire and theft cover for your car (optional cover)’ on page 27. We will pay you the Market Value of your car, or \$5,000, whichever is the lesser. When we make our payment your policy comes to an end. We will deduct from our payment any excesses, unpaid portion of your premium and the unused portion of your registration.

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Change 3 – Update to ‘What your policy covers’ (continued)

- c) Your PDS is also amended by removing the following on page 26 under the ‘Damage to your car caused by an uninsured driver’ section of third party insurance:

We cover:

Your car for damage caused to it in a collision with another vehicle when:

- *the driver of the other vehicle is uninsured;*
- *we agree that the collision was the other driver’s fault; and*
- *you provide us with sufficient information for us to identify the person responsible (for example, name, address, registration number of the person’s vehicle).*

Updated wording is as follows:

We cover:

Your car for damage caused to it in a collision with another vehicle when:

- *the driver of the other vehicle is uninsured;*
- *we agree, acting reasonably, that the collision was the other driver’s fault; and*
- *you provide us with sufficient information for us to identify the person responsible (for example, name, address, registration number of the person’s vehicle).*

- d) Your PDS is also amended by removing the following on page 27 under the ‘Damage to your car caused by an uninsured driver’ section of third party insurance:

We will at our option, either:

- *repair your car;*
- *pay you a cash settlement to repair your car (see ‘When your car has been damaged’ on page 24 for details as to what cost we will pay); or*
- *pay you the Market Value of your car, or \$5,000, whichever is the lesser.*

Updated wording is as follows:

We will at our option, acting reasonably and having regard to your preference, either:

- *repair your car;*
- *pay you a cash settlement to repair your car (see ‘When your car has been damaged’ on page 24 for details as to what cost we will pay); or*
- *pay you the Market Value of your car, or \$5,000, whichever is the lesser.*

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Change 3 – Update to ‘What your policy covers’ (continued)

- e) Your PDS is also amended by removing the following on page 27 under the ‘Fire and theft cover for your car (optional cover)’ section of third party insurance:

We will at our option, either:

- *repair your car;*
- *pay you a cash settlement to repair your car (see ‘When your car has been damaged’ on page 24 for details as to what cost we will pay); or*
- *pay you the Market Value of your car, or \$5,000, whichever is the lesser, less any applicable excesses.*

Updated wording is as follows:

We will at our option, acting reasonably and having regard to your preference, either:

- repair your car;
- pay you a cash settlement to repair your car (see ‘When your car has been damaged’ on page 24 for details as to what cost we will pay); or
- pay you the Market Value of your car, or \$5,000, whichever is the lesser, less any applicable excesses.

Change 4 – Update to ‘We may refuse a claim and cancel your policy if:’

- a) Your PDS is amended by removing the following on page 16 under the ‘We may refuse a claim and cancel your policy if’ section of comprehensive insurance:

- *the driver of your car;*
 - *was not licensed to be driving unless we agree you had no reason to suspect that the driver was unlicensed;*

Updated wording is as follows:

- the driver of your car;
 - was not licensed to be driving unless you had no reason, or a reasonable person in your circumstances would have had no reason, to suspect that the driver was unlicensed;

- b) Your PDS is also amended by removing the following on page 30 under the ‘We may refuse a claim and cancel your policy if’ section of third party insurance:

- *the driver of your car;*
 - *was not licensed to be driving unless we agree you had no reason to suspect that the driver was unlicensed;*

Updated wording is as follows:

- the driver of your car;
 - was not licensed to be driving unless you had no reason, or a reasonable person in your circumstances would have had no reason, to suspect that the driver was unlicensed;

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Change 5 – Update to ‘Definitions’

- a) Your PDS is amended by removing the following definition of ‘Market Value’ on page 19 of comprehensive insurance:

Market Value. The amount we calculate the market would pay for your car taking into account its age, make, model, kilometres travelled and condition immediately before the incident resulting in a claim on your policy. Authoritative industry publications may be used to calculate the amount.

Updated definition is as follows:

Market Value. The amount which, based on authoritative industry publications, the market would pay for your car taking into account its age, make, model, kilometres travelled and condition immediately before the incident resulting in a claim on your policy.

- b) Your PDS is amended by removing the following definition of ‘Market Value’ on page 31 of third party insurance:

Market Value. The amount we calculate the market would pay for your car taking into account its age, make, model, kilometres travelled and condition immediately before the incident resulting in a claim on your policy. Authoritative industry publications may be used to calculate the amount.

Updated definition is as follows:

Market Value. The amount which, based on authoritative industry publications, the market would pay for your car taking into account its age, make, model, kilometres travelled and condition immediately before the incident resulting in a claim on your policy.

This update takes effect from 9 November 2023.

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