

TERMS AND CONDITIONS

DEFINITIONS

These words in this document have a specific meaning:

- 'Additional Benefits'** means those benefits in addition to the rights and remedies available under the Australian Consumer Law.
- 'Aggregate Limit'** means the total monetary limit for all valid Claims under this Mechanical Breakdown Warranty specified on the Product Schedule, and also as explained in the Limits of Liability (Section 6) of this document.
- 'Application Date'** means the date the completed Mechanical Breakdown Warranty document is submitted to AWN.
- 'Approved Repairer'** means those licensed mechanical workshops approved and authorised by AWN to carry out repairs.
- 'Asset'** means the covered Asset identified and specified on the Product Schedule and Mechanical Breakdown Warranty Application Page.
- 'Australian Consumer Law (ACL)'** means the competition and Consumer Act 2010 (Cth) Schedule 2 (as adopted by each Australian State and Territory) and in force from time to time.
- 'Authorisation Number'** means the unique number issued by AWN's claims department to the Approved Repairer after receiving the Repairer's quote authorising the repairs.
- 'AWN'** means Australian Warranty Network Pty Ltd trading as AWN Insurance, as the supplier of this Mechanical Breakdown Warranty.
- 'Benefit Limit'** means the monetary limit for each authorised Claim under this Mechanical Breakdown Warranty indicated on the Product Schedule, and also as set out in the Limits of Liability (Section 6) of this Mechanical Breakdown Warranty document.
- 'Claim'** means a Claim for authorised repair submitted in accordance with these terms and approved by AWN.
- 'Covered Component'** means only those mechanical components or parts of Your Asset that are listed in the 'Covered Components' and 'Customer Care Package' on (Pages 3 and 4) as being covered under Your Mechanical Breakdown Warranty.
- 'Glass's Guide Retail Transacted Value'** means an independent vehicle Market Value guide published monthly by Glass's Information Services Limited, used by the insurance industry in assessing values relating to vehicles. Their retail transacted value is based on the typical sale price achieved by a retail dealer.
- 'Market Value'** means the pre-mechanical failure retail value of Your Asset. We will determine this amount at the time We assess Your claim, having regard to the age and condition of Your Asset and kilometres it has travelled.
- 'Normal Wear and Tear'** means the gradual reduction in operating performance of a Covered Component due to use of the Asset (relative to age of the Asset, service history, kilometres travelled and manufacturer's recommendations).
- 'Pre-Activated Fault'** means any mechanical fault occurring prior to the commencement of the Mechanical Breakdown Warranty.
- 'Pre-Existing Fault'** means a fault with a Covered Component of the Asset, whether known or unknown to You, which existed, or which may reasonably be determined to have existed, prior to the Mechanical Breakdown Warranty Application Date.
- 'Premium'** means the amount paid or payable for this Mechanical Breakdown Warranty.
- 'Product'** means this document.
- 'Selling Agent'** means an individual or company approved by AWN as an Authorised Representative.
- 'Statutory Warranty'** means any applicable warranty required by the relevant state or territory law to be provided to you by the Selling Agent in connection with the Asset (where applicable).
- 'Mechanical Breakdown Warranty'** means the financial service and cover provided on the terms of Product document.
- 'We, Our, Us'** means Australian Warranty Network Pty Ltd trading as AWN Insurance, on behalf of certain underwriters at Lloyd's.
- 'You, Your'** means the person(s) named on the Product Schedule and Application Page in this document.

1. PERIOD OF COVER

Cover commences on the later of:

- The date upon which **You** take delivery of the **Asset** listed on the Product Schedule.
- The Cover Commencement Date as noted on the Product Schedule; or
- The expiry of any Manufacturer's Warranty.

Cover ceases on the sooner of:

- The date nominated by **You** as the **Mechanical Breakdown Warranty** Expiry Date on the Product Schedule; or
- When the **Aggregate Limit** of the **Mechanical Breakdown Warranty** has been reached; or
- When the **Mechanical Breakdown Warranty** is validly cancelled by **You** in accordance with Section 8 (Cooling Off Period) or Section 9 (Cancellation).

2. PRECONDITIONS

It is a precondition of this **Mechanical Breakdown Warranty** that:

- 1) The **Product** is purchased from an authorised **Selling Agent**; and
- 2) At the commencement of **Your Mechanical Breakdown Insurance**, the **Asset** is in good mechanical condition, with no Pre-Existing Faults. Failure to disclose any Pre-Existing Faults may void this **Mechanical Breakdown Insurance**; and
- 3) The **Asset** is currently registered as required by State and Territory law; and
- 4) The **Asset** has a current Certificate of Roadworthiness or Safety Inspection report; and
- 5) The **Premium** and the completed and signed Application Page has been received and approved by **AWN** within twenty one (21) days from the **Application Date**.

3. OUR OBLIGATIONS

- 1) **AWN** will process **Your** Application within five (5) business days of receipt and either accept or decline cover under this **Product**.
- 2) If **AWN** does not receive payment within twenty-one (21) days of the **Application Date**, the **Mechanical Breakdown Warranty** policy may be invalid and **AWN** will advise **You** of the declined coverage.
- 3) Provided cover is granted, **We** will pay for the repairs or replacement of **Covered Components** causing mechanical breakdown always considering that the **Asset** purchased is a used **Asset**. If a **Covered Component** requires replacement, **We** may replace with a reconditioned or similar suitable component.
- 4) Any repairs **We** agree to pay for must be undertaken by an **AWN Approved Repairer** on terms authorised by and acceptable to **AWN** before work commences.
- 5) The monetary limits of **Our** obligations are set out in the **Aggregate Limit** and **Benefit Limit** specified on the Product Schedule.

4. YOUR OBLIGATIONS

You agree that from the Cover Commencement Date of this **Mechanical Breakdown Warranty** **You** must comply with the following essential terms:

- 1) Service Requirements: **You** must maintain a regular service schedule in accordance with the manufacturer's specifications but at intervals not to exceed 10,000 (ten thousand) kilometres or 6 (six) months, whichever occurs first. An allowance of no more than 2,000 (two thousand) kilometres or 30 (thirty) days beyond the stated intervals will be considered subject to the circumstances. This regular service schedule can be completed at any licensed service facility of your choosing.
- 2) Service Invoice Records you will:
 - i) Submit **Your** service records via **Our** website by going to; www.awninsurance.com.au. Search for **Your Mechanical Breakdown Warranty**, and submit **Your** service details; or
 - ii) Post the relevant service coupon attached to this **Mechanical Breakdown Warranty** and the Mechanic's Tax Invoice (or legible copy) to **AWN**, P.O. Box 4301, Loganholme, QLD 4129, promptly after the service being completed.The processing of **Your Claim** may be delayed or declined if **We** do not receive invoices or other satisfactory evidence detailing the service history of the **Asset**.
- 3) Minimise Damage: Use the **Asset** as recommended by the manufacturer and **You**, or any person in control of the **Asset**, must take all reasonable precautions to minimise damage to the **Covered Components** and/or the **Asset**, and must not continue to operate the **Asset** if a fault or damage to a **Covered Component** is reasonably suspected.

Note: Failure to comply with these essential terms may affect, suspend and/or reduce the benefit of this Mechanical Breakdown Warranty.

5. ASSESSMENT AND AUTHORISATION

- 1) Upon receipt of a **Claim**, **AWN** will check whether **Your Claim** is valid and that all service requirements have been adhered to; and
- 2) If so, **AWN** may ask for the **Asset** to be inspected by one of their **Approved Repairers**; and
- 3) If the **Claim** is valid, **AWN** will authorise their **Approved Repairer** to repair the **Asset** within the terms of this **Mechanical Breakdown Warranty**.
- 4) If the **Claim** is not valid, **You** will be responsible for the cost of the inspection.
- 5) No reimbursement will be given for any work commenced without proper authorisation being issued by **AWN** to the **Approved Repairer** upon receipt of a **Claim**.

6. LIMITS OF LIABILITY

- 1) The total **Benefit Limit** per **Claim**, including Customer Care Package is specified on the Contract Schedule. The **Benefit Limit** indicates the limit of each **Claim** at any one (1) time on any one (1) **Claim** regardless of the number of **Covered Components** claimed against.
- 2) Customer Care Package: \$100 (One Hundred Dollars) per **Claim** (up to a maximum of \$300 for the term of the Mechanical Breakdown Insurance). A **Claim** will only be considered where repair of a **Covered Component** is approved by **Us** under this **Mechanical Breakdown Warranty** and costs will be reimbursed to **You** on submission of paid tax invoices or receipts, received and approved by **Us**.
- 3) The Contract Schedule will also specify the **Aggregate Limit**, which is the total amount that can be claimed during the period of this **Mechanical Breakdown Warranty**.
- 4) Subject to satisfactory completion of the repairs, **You** agree to accept such payments to cover the full cost of repairs to the **Covered Components** of the **Asset** whether paid to **You** or to the **Approved Repairer** on **Your** behalf, in full satisfaction of the **Claim**.
- 5) Acceptance of the payment and/or possession of the **Asset** after the repairs have been satisfactorily completed evidences acceptance of full satisfaction of that **Claim**.
- 6) All **Benefit Limits** are the GST inclusive cost of the repairs.

7. MISCELLANEOUS

- 1) This is a **Mechanical Breakdown Warranty** for used **Assets**, therefore a part may be worn but still quite safe and serviceable.
- 2) **We** will not be liable or responsible for any damage occurring if the **Asset** is stolen, left unattended or being towed.
- 3) **We** will not be held responsible for any delays in repair due to lack of supply of parts or any materials needed to complete any work.
- 4) 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 **Mechanical Breakdown Warranty** will become void and **Your** rights to **Claim** will be forfeited in respect of any present and future **Claims** (applicable if the **Asset** has odometer fitted at time of manufacturer).

8. COOLING OFF PERIOD

You may cancel this **Product** for any reason within 28 days from the **Application Date** by notifying **Us** in writing, or by calling **Us** on (07) 3802 5577 or emailing **Us** at claims@awninsurance.com.au. This is known as the "Cooling Off Period". **You** will need to return the Schedule to **Us**, together with a letter to request cancellation of the **Product** during the Cooling Off Period. If the **Product** has been issued to more than one person each person must authorise and sign the cancellation request. Provided no **Claim** has been paid and **You** have no intention of making a **Claim** or have not made a valid **Claim**, **We** will refund the **Premium** paid, less any taxes, charges or duties which **We** cannot recover from other sources. After the Cooling Off Period ends **You** still may have cancellation rights (see Section 9).

9. CANCELLATION

We are required by law to provide certain guarantees in providing **Our Mechanical Breakdown Warranty**. If **We** fail to comply with **Our** obligations, **You** may be entitled to a remedy including cancellation of this **Mechanical Breakdown 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 **Mechanical Breakdown Warranty**, any refund calculation will be on a pro-rata basis less **Our** cancellation/administration costs of \$110 and the costs of any authorised or paid **Claims**.

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

We may cancel the **Mechanical Breakdown 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 the cover or a **Claim**;
- If the **Asset's** odometer has been tampered with, is altered, inoperative or defective;
- If the **Asset** has at any time been used for rallying, racing, and competitive driving or tested for any motor sports activities.

10. TRANSFER

This **Mechanical Breakdown Warranty** cannot be transferred to another **Asset**.

If **You** are not in breach of **Your** obligations the terms of this **Mechanical Breakdown Warranty**, **You** may transfer the benefits of this **Mechanical Breakdown Warranty** to a new owner of the **Asset**. As a prerequisite to approving a transfer we require the following:

- Proof of a current Safety Inspection Certificate or Report and registered ownership; and
- A mechanical inspection acceptable to **Us**; and
- A completed request to transfer the **Mechanical Breakdown Warranty** in writing to **Us** within 7 days of the change of ownership of the **Asset**; and
- A transfer and administration fee of \$75.00 payable to **Us** by the new owner.

Apply for and submit your transfer of **Mechanical Breakdown Warranty** application via **AWN's** website: www.awninsurance.com.au

11. DOCUMENT REPLACEMENT

In the event **You** lose or are unable to locate **Your** document, **You** may apply for a replacement copy. A fee of \$33.00 will be payable to **Us** for this service.

12. HOW TO MAKE A CLAIM

Read the full terms of this **Product** carefully to ensure **Your Claim** is covered by the **Mechanical Breakdown Warranty**.

1) Telephone or write to:

AWN Insurance

P.O. Box 4301, Phone: (07) 3802 5577

Loganholme, Qld 4129 Fax: (07) 3806 1505

Email: claims@awninsurance.com.au

Office Hours: Monday to Friday 8:15 a.m. to 5:15 p.m. (AEST)

2) Quote the **Product** Number, registration number and current odometer reading of the **Asset**.

3) Explain fully the nature of the **Claim** remembering that **You** are required to disclose to **Us** all information which is relevant in assisting **Us** to consider **Your Claim**. If **You** fail to disclose relevant information **Your** rights to **Claim** may be seriously affected and/or the **Claim** may be reduced or rejected.

4) Upon receipt of the required information **We** will process and consider **Your Claim**.

5) Additional Requirements:

- i) 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 work.
- ii) 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 **Asset** to a better condition than the condition prior to the **Claim**.
- iii) Failure by **You** to pay for any work not included in the **Claim** may render this **Mechanical Breakdown Warranty** void.
- iv) 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 coverage or if the call is of a service nature then this cost shall be **Your** responsibility.
- v) If **You** have a problem with **Your Asset** that is not **Claim** related, just call **AWN's** claims department and **We** can still assist **You** through our network of **Approved Repairers** Australia-Wide.

13. SUMMARY OF RIGHT AND REMEDIES UNDER THE ACL

The protection afforded to **You** under this **Product** is in addition to, and does not substitute for, the rights **You** have under the **Australian Consumer Law (ACL)**. If and to the extent that **You** have a right to **Claim** under the ACL, **You** also need to **Claim** under your **Mechanical Breakdown Warranty**.

The ACL protects consumers by automatically giving them basic, guaranteed rights for goods they purchase ("Consumer Guarantees") at no charge. For example, the ACL 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.

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 ACL 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 Breakdown Insurance 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.

Assets may also have an additional **Statutory Warranty**. The provisions of such warranties varies from State to State. Any **Statutory Warranty** may be in addition to or overlap the ACL and may also operate concurrently to the ACL.

ADDITIONAL BENEFITS UNDER THIS MECHANICAL BREAKDOWN WARRANTY NOT AVAILABLE UNDER ACL

We appreciate that **You** may want the certainty of knowing that if **Assets You** buy are faulty they are covered for specific events and a specific time period.

When **You** purchase the **AWN's Products 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 **Product** that are not available under the ACL, 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 (dependant on diagnosis and parts availability);
- Expert advice and assistance;
- Specified Cover amounts and **Additional Benefits**; and
- A Network of **Approved Repairers**.

14. COMPLAINTS RESOLUTION

COMPLAINTS ABOUT POLICY & CLAIM ADMINISTRATION MATTERS

If **You** wish to make a complaint about service matters such as general administration of **Your** policy, or about a claim, the first thing **You** should do is contact **Us**, and **Your** complaint will be referred to **Our** Internal Dispute Resolution Committee (IDRC) to review the dispute at no cost to **You**. This review will normally be completed within 15 business days.

You can contact **Us** at:

AWN IDRC Contact Details	
by phone on (07) 3802 5577	by post: PO Box 4301, Loganholme, 4129 QLD
by emailing them at: idr@awninsurance.com.au	on the web: www.awninsurance.com.au

If **You** are still not satisfied with the outcome of **Our** review, **You** are entitled to take the matter to the external disputes resolution body. **The external resolution review can only be sought after You have obtained an internal dispute review of Your concern.** The external resolution body is the Australian Financial Complaints Authority (AFCA).

AFCA Contact Details	
by phone on 1800 931 678 (free call)	by post: GPO Box 3, Melbourne VIC 3001
by emailing them at: info@afca.org.au	on the web: www.afca.org.au

They provide an independent service which 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.