

RAC Car Insurance

Combined Product Disclosure Statement
and Financial Services Guide



For the better



This is an interactive document

We designed it to be easy to navigate through the sections. Look for the Return to Contents button to return back to the Contents page.

RAC Insurance Pty Limited (ABN 59 094 685 882) (RAC Insurance) is an authorised general insurance company specialising in general insurance products. Our Australian Financial Services (AFS) Licence number is 231222. We have sole responsibility for the content of the Product Disclosure Statement (PDS) in this document, the cover provided under the policy, policy administration and the assessment and payment of claims.

RAC Distribution Pty Ltd (ABN 71 092 581 470) (RAC Distribution) is our authorised representative. Its Authorised Representative number is 238025. We have authorised RAC Distribution to distribute to you the Financial Services Guide (FSG) in this document. RAC Distribution has a binding agreement with us that authorises them to arrange for the issue of general insurance contracts on our behalf which are binding on us just as if we had issued the policy ourselves. If you decide to purchase this insurance policy, your contract will be with RAC Insurance as the insurer.

RAC Insurance and RAC Distribution are part of the RAC Group of Companies.

This combined PDS and FSG was prepared on 28 August 2024 and is effective from that date.

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Welcome to RAC Insurance

Thank you for choosing RAC

With RAC, you can rest assured knowing you're covered by WA's most trusted car insurer.

We're local to WA, and pride ourselves on offering helpful service in the moments you need it most.

We're here to help

- Phone **13 17 03**
- Web **rac.com.au**
- Self-serve **rac.com.au/myRAC**

You can manage your policies, renew or claim any time you like. Simply log in or register at **rac.com.au/myRAC**

Looking out for members with vulnerabilities

We look to provide extra service and sensitivity to members experiencing vulnerability. At various times, anyone may need help due to their circumstances.

If you're going through a period of vulnerability and need extra help, please contact us or refer to our vulnerability policy at **rac.com.au**

Product Disclosure Statement

Here's some information about the PDS and how it works.

About this PDS

If you purchase our car insurance, there will be a contract between you and us. This contract consists of:

- » This PDS.
- » The schedule we provide to you.
- » Our Premium, Excess and Discount Guide (PED Guide).
- » The Legal Rights and Obligations Guide (LRO Guide).
- » Any document that we tell you forms part of the terms and conditions of your insurance, such as a Supplementary PDS.

If you can't access a copy of these documents, please call us on **13 17 03**.

These documents explain the cover and benefits provided by the car insurance and the limits, important information and exclusions that apply to it. The aim is to help you decide if this insurance is right for you.

You should read these documents carefully so you fully understand the cover we provide and the limits, important information and exclusions that apply to it.

Also, please see the 'Definitions' section so you understand the words in this document that have special meanings.

Your duty to take reasonable care not to make a misrepresentation

This insurance is a consumer insurance contract under the *Insurance Contracts Act 1984* (Cth).

Before we agree to insure you (including when we issue you with the insurance for the first time or agree to renew, extend, vary, reinstate or replace it), you have a duty to take reasonable care not to make a misrepresentation to us.

A misrepresentation includes a statement that is in any way false, misleading, dishonest or which does not fairly reflect the truth. We will not treat something as a misrepresentation merely because you failed to answer a question or gave an obviously incomplete or irrelevant answer to a question.

When answering our questions you need to take reasonable care to make sure your answers are true, honest, up to date and complete in all respects.

If another person is answering for you, we'll treat their answers as yours. In such a case you should check the questions have been answered correctly on your behalf by them. Subject to applicable law, a breach of the duty by one insured affects all insureds in these ways.

If you do not take reasonable care not to make a misrepresentation, or if you are careless in your answers or recklessly or deliberately make a misrepresentation, we may, acting reasonably and subject to applicable law, reject or not fully pay your claim or cancel your insurance or if the misrepresentation was fraudulent, treat it as if it never existed.

However, we will not do this if we would have entered into the contract, for the same premium and on the same terms and conditions, even if the failure had not occurred (see 'When we can refuse to pay or reduce the amount we pay under a claim' within the LRO Guide for more detail).

Whether or not you have taken reasonable care not to make a misrepresentation is to be determined by us acting reasonably, with regard to all relevant circumstances.

We must also take account of any particular characteristics or circumstances about you that we were aware of, or ought reasonably to have been aware of.

If any question or guidance provided is not clear or you need additional assistance, you can contact us.

Telling us about any changes during the period of insurance

You must tell us about any of the following things as soon as you reasonably can, as they form the basis on which we have agreed to insure you:

- » Changes to any information you have previously provided to us about you or your car (including how you use it), and anyone who drives it (as applicable) as listed on your schedule.
- » If you have made a modification to your car (where applicable).
- » If you, or a reasonable person in your circumstances, would believe anything has occurred that may or will give rise to a claim under your policy.

If you don't tell us about any changes, we may:

- » Reject or not fully pay your claim.
- » Require you to repay any money paid to you for your claim.
- » Cancel your policy or choose not to renew your policy.

If any changes need to be made and we agree with them, we'll propose some changes to your policy and send you an updated schedule. We'll also advise if a different premium applies.

We will only rely on any rights we have under your policy acting reasonably and to the extent permitted by applicable law.

You don't need to tell us about changes we're already aware of.

Our agreement with you

The cover your policy provides will be available to you for the period of insurance in return for your premium.

This contract is between you and us. When more than one person is named as the policyholder in your schedule, we'll treat them all as joint policyholders. Please note that:

- » A statement, act, omission or claim by any one policyholder is treated as a statement, act, omission or claim by all joint policyholders.
- » We can deal with (or make payment to) one joint policyholder with no need to also pay or deal with the other policyholders.
- » Each policyholder has authority to change or cancel the policy, and we do not need to contact the other policyholders.

Certain persons or entities who are not contracting parties may be entitled to access cover by reason of the *Insurance Contracts Act 1984* (Cth). See 'Third Party Interests' within the LRO Guide for more detail.

The cover our car insurance policies provide

This PDS explains the three levels of car insurance cover and benefits we provide.

RAC Comprehensive Car Insurance

This provides the highest level of protection and the most benefits.

It covers your car for accidental damage, vandalism, malicious damage, theft, storm, fire and explosion. It also covers another person's car or property if you damage this in an incident.

RAC Third Party Fire and Theft Car Insurance

This provides limited protection.

It covers damage to your car caused by fire or theft, as well as accidental damage your car causes to someone else's car or property.

It doesn't cover accidental damage to your car, except where the driver of the other vehicle is uninsured and was solely at fault (subject to a limit).

RAC Third Party Property Damage Car Insurance

This provides a very basic level of cover.

It covers you for damage your car causes to someone else's car or property in an incident.

It doesn't cover accidental damage to your car, except where the driver of the other vehicle is uninsured and was solely at fault (subject to a limit).

Your cover

The level you've selected will be shown on your schedule.

For your convenience, the cover and benefits each level provides are summarised in the 'Key benefits' table. For full details of cover including exclusions, please read the pages that follow.

These insurance products were designed for their respective target markets. Please refer to **rac.com.au** for our combined Target Market Determination (TMD). If you believe you fall outside our target market, please call us on **13 17 03**.

Key benefits of your cover

This table summarises the cover and benefits of each level of cover. Read the PDS for full details of cover, what it includes and what's not included.

	Key benefits		
Summary of cover	Comprehensive Car Insurance	Third Party Fire and Theft Car Insurance	Third Party Property Damage Car Insurance
Damage to your car	Maximum cover	Only fire, theft and attempted theft	No cover
Damaged by uninsured vehicle	✓	✓ Up to \$5000	✓ Up to \$5000
Lifetime guarantee on repairs	✓	✓	✓
Legal liability	✓	✓	✓
Temporary cover for your new car	✓	✓	✓
Agreed value	✓	✓	✗
Windscreen and window glass	✓	✗	✗
Lost or damaged personal belongings	✓	✗	✗
New car replacement	✓	✗	✗
Hire car after fire, theft or attempted theft	✓	✓	✗
Travel or accommodation costs	✓	✗	✗
Tools of the trade	✓	✗	✗
Towing	✓	✓	✗
Cover for your keys	✓	✓	✗
Accidental death benefit	✓	✗	✗
Automatic cover for accessories	✓	✓	✗
Hire car after accident	Optional	✗	✗

Your RAC Comprehensive Car Insurance

What we cover

If you purchase our Comprehensive Car Insurance, you'll be covered anywhere in Australia for the following.

Loss or damage to your car

We'll cover your car for accidental loss or damage that occurs during the period of insurance. This includes loss or damage caused by:

- » Accidental collision.
- » Accidental damage.
- » Accidental impact, for example, a tree falling on your car.
- » Vandalism or malicious damage.
- » Theft or attempted theft.
- » Fire.
- » Storm, hail or lightning.
- » Explosion.

This cover applies when your car is being driven by (or is in the custody and control of) you or anyone with your permission and who meets and complies with the terms and conditions of your policy unless that person has other insurance covering the same loss or damage.

Your legal liability

We'll cover your liability for accidental damage caused to another person's property arising from an incident that involves your car, or a trailer or a caravan attached to it.

We also cover:

- » Anyone driving your car with your permission and who meets and complies with the terms and conditions of your policy, unless that person has other insurance covering the same liability.
- » You - while driving a substitute car (excluding hire cars) because your car is being repaired, serviced or has broken down.
- » Any legal costs incurred in connection with any such alleged liability if we've given our written consent to those costs which won't be unreasonably withheld or delayed.

The most we'll pay is \$25,000,000 for any one incident.

We do not cover:

- » Your liability if the property damaged is your own or is in your custody or belongs to or is in the custody of your spouse, child or other person who normally lives with you.
- » Damage to another person's property when your car is being transported rather than being driven. This includes while your car is being loaded or unloaded from the means of transport.
- » Loss or damage to any substitute car.
- » Liability when your car is being offered for sale on your behalf by another party.
- » Liability whether directly or indirectly connected with asbestos.

Your additional benefits

These additional benefits are included in your policy. You can claim for these in the event of an incident that we cover.

Windscreen and window glass cover

When your car's windscreen, sunroof or window glass is broken in an incident, we'll either replace or repair the broken glass (including tinted glass, window seals and mouldings).

Your personal belongings cover

We'll pay up to \$1000 for you to replace or repair your personal belongings that were in your car if they're lost, stolen or damaged in an incident covered under your policy.

This cover doesn't apply if your car was left unlocked when the incident occurred.

We don't cover cash, credit cards (or loss arising from the subsequent use of credit cards), cheques, vouchers or anything that can be cashed or traded. We also don't cover any personal property that's not owned by you.

Your new car replacement cover

We'll replace your car with a new vehicle of the same make, model and series if all of the following apply:

- » We declare your car a total loss.
- » Less than two years have passed since it was first registered.
- » You're the first registered owner (other than the selling dealer if your car was a new demonstration model).

We'll do this as long as a car is available to us to deliver to you within 90 days of us deciding your car is a total loss.

If we can't provide a replacement car, we'll pay you the higher of the agreed value of your car when it was first insured with us or your current agreed value.

You may have made modifications or added accessories to your car in the first two years of owning it. These additions will only be covered under this benefit if you've increased your agreed value to cover them.

When we replace your car under this benefit, we'll also pay for the on-road costs (including 12 months registration and stamp duty) of the new car. This is provided you pay us any refund amount you get from your car's registration. We don't cover the cost of replacing or purchasing an extended warranty or any other insurance.

If your car is financed, you must take reasonable steps to get written consent from your financier so we can provide a replacement vehicle.

Hire car after fire, theft or attempted theft

When you can't use your car as a result of fire, theft or attempted theft, we'll arrange for you to get a hire car of a similar size. We'll pay the standard daily hire fee. If a hire car isn't available, we'll pay you an equivalent cash settlement. You can also extend your cover to include a hire car after an accident (see the section on 'Hire car after accident').

The hire car will be available to you from when you report the incident to us, until the earlier of:

- » Your car is recovered or repaired and available for collection by you.
- » Your car is replaced by us.
- » Three days have passed after payment has been issued to settle your claim.

You'll be responsible for:

- » Paying the deposit required by the hire car company.
- » Complying with the hire car company's terms and conditions.

We do not cover:

- » Any hire car related costs other than what's set out in this cover section.

Essential temporary repairs for your car

Sometimes the damage may mean your car can't be safely driven home or to a repairer. You may need to arrange for temporary repairs to make your car safe, secure or roadworthy. If this happens, we'll pay for those repairs up to \$1000.

Costs to complete your journey

When the loss or damage means you can't use your car to get you and your passengers from the scene of the incident to your home, your original destination or to a safe place, we'll reimburse the costs necessary to do so up to \$500.

Your emergency accommodation expenses

You may be in a situation where the loss or damage means you can't use your car, and you're more than 100km from your home. If this happens, we'll pay up to \$1000 towards the cost of emergency accommodation for you and your passengers.

Towing your car

When the damage is such that you can't use your car, we'll pay for the reasonable cost of towing your car and any caravan or trailer attached to it, from the scene of the incident to the nearest approved repairer or to a safe location that we agree to.

Your lost or stolen keys

We'll replace your car keys when they've been lost or stolen. This cover will include the cost of locks, barrels, fobs and keypads.

Replacement of your child car seat

If your car is involved in a collision and you have a child car seat in the car, we'll cover the cost of replacing the car seat with a new one of a similar standard. We'll do this even if there's no apparent damage.

Accidental death benefit

If a covered incident involving your car directly results in the death of its driver, we'll pay \$15,000 to the deceased's estate. We'll only do this if the death occurs within 12 months of the incident.

We do not cover:

- » Death as a result of suicide or attempted suicide.
- » Death if the deceased person was driving your car without your permission.

Tools of trade

When your tools of trade are stolen or damaged in an incident covered under your policy, we'll pay up to \$1000 for you to replace or repair them.

We only cover tools under this benefit that are connected with your current trade. You may need to give us evidence of your current business, trade or profession.

We do not cover:

- » Tools stolen from an unlocked car or toolbox fitted to your car.
- » Tools that are not owned by you.
- » Stock or samples, mobile phones, laptops or any electronic items.
- » Cash, credit cards (or loss arising from the subsequent use of credit cards), cheques, vouchers or anything that can be cashed or traded.

Temporary cover for your new car

When you replace your car, we'll insure your new car for 14 days from the date of purchase.

There's a maximum amount we'll pay for loss or damage that occurs within the first 14 days after the purchase of your new car. The most we'll pay is the purchase price of your new car less any excesses that will apply.

For cover on your new car to continue, you must do all of the following:

- » Tell us about your new car within 14 days of purchasing it.
- » Provide us with all the details we need for the new car.
- » Pay us any additional premium we require.

Also, it must be a car we would ordinarily insure.

If we agree to insure your new car, we'll update your policy and send you a new schedule. We'll also advise if a different premium applies.

Your optional benefit

If you pay extra, you can add this optional benefit to your comprehensive car insurance cover. If you add this, it'll be shown on your schedule.

Hire car after accident

You can enjoy the convenience of having a hire car available to you while your car is being repaired or after being written off following any incident covered by your policy.

We'll also pay a maximum of \$3000 for any excess payable under the hire agreement if there's loss or damage to the hire car.

This is an extension to the hire car after fire, theft or attempted theft cover (see the section on 'Hire car after fire, theft or attempted theft'). It's subject to the same terms and conditions as that cover.

When you're covered under this optional benefit, the cover provided by your policy and all of its terms and conditions will apply to the hire car, as if the hire car was your car.

Your RAC Third Party Fire and Theft Car Insurance

What we cover

If you purchase our Third Party Fire and Theft Car Insurance, you'll be covered anywhere in Australia for the following.

Loss or damage to your car

We'll cover loss or damage that occurs during the period of insurance and is caused by fire, theft or attempted theft.

Your legal liability

We'll cover your liability for accidental damage caused to another person's property arising from an incident that involves your car, or a trailer or a caravan attached to it.

We also cover:

- » Anyone driving your car with your permission and who meets and complies with the terms and conditions of your policy, unless that person has other insurance covering the same liability.
- » You - while driving a substitute car (excluding hire cars) because your car is being repaired, serviced or has broken down.
- » Any legal costs incurred in connection with any such alleged liability if we've given our written consent to those costs which will not be unreasonably withheld or delayed.

The most we'll pay is \$25,000,000 for any one incident.

We do not cover:

- » Your liability if the property damaged is your own or is in your custody or belongs to or is in the custody of your spouse, child or other person who normally lives with you.
- » Damage to another person's property when your car is being transported rather than being driven. This includes while your car is being loaded or unloaded from the means of transport.
- » Loss or damage to any substitute car.
- » Liability when your car is being offered for sale on your behalf by another party.
- » Liability whether directly or indirectly connected with asbestos.

Damage to your car caused by an uninsured vehicle

We'll cover damage to your car if the other vehicle involved in the accidental collision is uninsured and that driver was solely at fault in causing the incident.

We'll also cover the reasonable cost of towing your car and any caravan or trailer attached to it from the scene of the collision to a safe location that we agree to.

We'll provide this cover for damage to your car if all of the following apply:

- » The collision was solely the other driver's fault.
- » The driver of the other vehicle was uninsured.
- » You provide us with enough information so we can identify the 'at fault' driver, including their name, vehicle registration number and contact details.
- » The other vehicle was not owned or driven by you, your spouse or any person who normally lives with you.

The most we'll pay is \$5000 or the agreed value of your car, whichever is the lesser. Our payment will be less any excesses that will apply.

Your additional benefits

These benefits are included in your policy, provided the loss or damage to your car was caused by fire, theft or attempted theft.

Essential temporary repairs for your car

Sometimes the damage may mean your car can't be safely driven home or to a repairer. You may need to arrange for temporary repairs to make your car safe, secure or roadworthy. If this happens, we'll pay for those repairs up to \$1000.

Towing your car

When the damage is such that you can't use your car, we'll pay for the reasonable cost of towing your car and any caravan or trailer attached to it, from the scene of the incident to the nearest approved repairer or to a safe location that we agree to.

Hire car after fire, theft or attempted theft

When you can't use your car as a result of fire, theft or attempted theft, we'll arrange for you to get a hire car of a similar size. We'll pay the standard daily hire fee. If a hire car isn't available, we'll pay you an equivalent cash settlement.

The hire car will be available to you from when you report the incident to us, until the earlier of:

- » Your car is recovered or repaired and available for collection by you.
- » Three days have passed after payment has been issued to settle your claim.

You'll be responsible for:

- » Paying the deposit required by the hire car company.
- » Complying with the hire car company's terms and conditions.

We do not cover:

- » Any hire car related costs other than what's set out in this cover section.

Temporary cover for your new car

When you replace your car, we'll insure your new car for 14 days from the date of purchase.

There's a maximum amount we'll pay for loss or damage that occurs within the first 14 days after the purchase of your new car. The most we'll pay is the purchase price of your new car less any excesses that will apply.

For cover on your new car to continue, you must do all of the following:

- » Tell us about your new car within 14 days of purchasing it.
- » Provide us with all the details we need for the new car.
- » Pay us any additional premium we require.

Also, it must be a car we would ordinarily insure.

If we agree to insure your new car, we'll update your policy and send you a new schedule. We'll also advise if a different premium applies.

Your RAC Third Party Property Damage Car Insurance

What we cover

If you purchase our Third Party Property Damage Car Insurance, you'll be covered anywhere in Australia for the following.

Your legal liability

We'll cover your liability for accidental damage caused to another person's property arising from an incident that involves your car, or a trailer or a caravan attached to it.

We also cover:

- » Anyone driving your car with your permission and who meets and complies with the terms and conditions of your policy, unless that person has other insurance covering the same liability.
- » You - while driving a substitute car (excluding hire cars) because your car is being repaired, serviced or has broken down.
- » Any legal costs incurred in connection with any such alleged liability if we've given our written consent to those costs which won't be unreasonably withheld or delayed.

The most we'll pay is \$25,000,000 for any one incident.

We do not cover:

- » Your liability if the property damaged is your own or is in your custody or belongs to or is in the custody of your spouse, child or other person who normally lives with you.
- » Damage to another person's property when your car is being transported rather than being driven. This includes while your car is being loaded or unloaded from the means of transport.
- » Loss or damage to any substitute car.
- » Liability when your car is being offered for sale on your behalf by another party.
- » Liability whether directly or indirectly connected with asbestos.

Damage to your car caused by an uninsured vehicle

We'll cover damage to your car if the other vehicle involved in the accidental collision is uninsured and that driver was solely at fault in causing the incident.

We'll also cover the reasonable cost of towing your car and any caravan or trailer attached to it from the scene of the collision to a safe location that we agree to.

We'll provide this cover for damage to your car if all of the following apply:

- » The collision was solely the other driver's fault.
- » The driver of the other vehicle was uninsured.
- » You provide us with enough information so we can identify the 'at fault' driver, including their name, vehicle registration number and contact details.
- » The other vehicle was not owned or driven by you, your spouse or any person who normally lives with you.

The most we'll pay is \$5000 or the agreed value of your car, whichever is the lesser. Our payment will be less any excesses that will apply.

Your additional benefit

This additional benefit is included in your policy.

Temporary cover for your new car

When you replace your car, we'll insure your new car for 14 days from the date of purchase.

There's a maximum amount we'll pay for loss or damage that occurs within the first 14 days after the purchase of your new car. The most we'll pay is the purchase price of your new car less any excesses that will apply.

For cover on your new car to continue, you must do all of the following:

- » Tell us about your new car within 14 days of purchasing it.
- » Provide us with all the details we need for the new car.
- » Pay us any additional premium we require.

Also, it must be a car we would ordinarily insure.

If we agree to insure your new car, we'll update your policy and send you a new schedule. We'll also advise if a different premium applies.

General exclusions

You also need to know what you're not covered for. These exclusions apply to all cover under your policy.

Who uses your car

We won't cover any loss, damage or liability caused by or arising out of the use of your car by any person who:

- » Wasn't authorised or licensed to drive your car.
- » Broke the conditions of their driver's licence or learner's permit.
- » Received medical advice that their ability to drive a car is impaired by a medical condition or treatment.
- » Refused or failed to take a test for alcohol or drugs or submit a specimen for testing when requested by police.
- » Was under the influence of alcohol or drugs, or had a blood alcohol content level exceeding that permitted by the laws of the relevant State or Territory, and this may have caused or contributed to the loss, damage or liability.

We also don't provide cover for any loss, damage or liability if any of the following things applied to the driver of your car in the last three years before the incident:

- » They've had their driver's licence cancelled, suspended, disqualified or special conditions applied.
- » They've been convicted of a criminal offence related to theft, fraud, arson, criminal damage or illicit drugs.
- » They've had car insurance declined, withdrawn, cancelled or its renewal refused.

However, if you weren't the driver, we may still provide cover for loss or damage to your car if you can show that you didn't know (and reasonably couldn't have known) that any of these exclusions applied to the driver. However, we won't provide liability cover for the driver and may try to recover money from them.

Cause of loss, damage or liability

We don't cover any loss, damage or liability contributed or caused directly or indirectly by:

- » Failures, defects or breakdowns which are mechanical, electronic, electrical or structural.
- » Errors or omissions involving access to, processing of, use or operation of any computer system or any unavailability or failure to access, process, use or operate any computer system. This exclusion will not apply to any physical loss or damage (excluding vandalism or a malicious act) directly caused by an incident or event we cover you for under the policy.

- » Loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any data (including the value of any data).
- » Sparks, ashes, carbon or pollutants from your car.
- » Any person or organisation lawfully taking, keeping or destroying your car.
- » Terrorism, war (whether declared or not), invasion, rebellion, revolution or a similar event.
- » Anything nuclear or radioactive.
- » Wear, tear, rust or corrosion.
- » Failure to take all reasonable care to protect your car, its contents and keys.
- » Your car being left unattended with the keys in or on it.

Use of your car

We don't cover any loss, damage or liability which occurs during, or is caused by, the use of your car:

- » On a permanent or temporary racetrack, raceway, course, circuit or arena (unless you're participating in a safe driving course commercially conducted by trained instructors).
- » For racing, trials, speed or hill climbing tests, pace making, contests, rallies or for endurance or skills tests whether or not you're competing in an event.
- » In an experiment or demonstration.
- » While it's overloaded, not roadworthy, not registered or not meeting relevant government transport regulations.
- » In a manner that involves deliberate exposure to exceptional danger or any wilful or reckless act.
- » In a manner contrary to its manufacturer's recommendations.
- » To illegally store or transport, in quantities greater than those used for domestic purposes, dangerous goods or substances that pollute or contaminate.
- » For unlawful purposes or in a manner that is in breach of any law or regulation.

We also don't cover any loss, damage or liability if your car is:

- » Being hired out.
- » Used as a taxi, limousine or to provide a chauffeur or small charter service.
- » Used to deliver goods for a fee as a contractor or otherwise, e.g. food delivery, parcel couriers.

- » Used for rideshare unless:
 - > we've specifically agreed to provide this cover, and
 - > the ridesharing use is for less than the hours per week and conditions specified and printed on your schedule.

Waiting period

We don't cover loss, damage or liability caused by flood, storm or bushfire within the first 48 hours after you purchased your policy, or after you've increased your existing insurance cover, but only to the extent of that increase in cover unless either:

- » You purchased your car on the same day your policy started.
- » Your policy started immediately after another policy covering the same car ended, and there was no break or change in the level or type of cover.

Other things we don't cover

We also don't cover:

- » Depreciation, wear, tear, rust or corrosion.
- » Deliberate damage caused by you or anyone using your car with your permission.
- » Any reduced value of your car after it has been damaged and repaired, provided the repairs have been carried out correctly. This includes any loss or damage to vehicle identifiers, such as the original compliance, build or vehicle identification number (VIN) information.
- » The cost of fabrication of any parts.
- » The cost of any air freight charges.
- » Any cost for parts that exceed the manufacturer's last issued catalogue or price list.
- » Additional costs because parts are unavailable or obsolete, or because of delays in obtaining parts.
- » Any extra costs for paint work that doesn't meet the manufacturer's standard paint specification.
- » Stock or samples connected with your work or trade.
- » Any loss or damage covered by other insurance that's compulsory or was not purchased in your name.
- » Any consequential loss.

Claiming on your policy

Making a claim

Here's how to make a claim and a short outline of what happens.

1 Step 1 - Get ready to claim

You may need:

- » Your policy number or address and personal details.
- » Incident details (when and what happened).
- » Details of anyone else involved.
- » Any quotes or receipts.

2 Step 2 - Make your claim

You should tell us about your claim as soon as reasonably possible. Here are a couple of easy ways to claim:

- » Claim online at [rac.com.au](https://www.rac.com.au)
- » Call us on **13 17 03**.

3 Step 3 - We'll guide you through the process

Our local claims team will review your claim and will let you know the next steps.

When you claim

You must cooperate with us

In short, you need to be truthful, cooperate with us and give us any information we reasonably need in dealing with your claim.

You must promptly provide us with full details of the incident that led to your claim. These details may include:

- » Name and contact details of anyone involved, including witnesses.
- » Registration numbers of any vehicles involved.
- » Proof of ownership for any damaged or stolen property, such as receipts, owner manuals and warranties.

- » Copies of any letters, notices, court or other legal documents received relating to the incident or claim.
- » Receipts for expenses you've incurred that are covered under your policy.

You must also:

- » Report any theft, attempted theft or malicious damage to the police as soon as reasonably possible.
- » Take all reasonable steps to prevent loss or damage from occurring, or continuing to occur, once becoming aware of actual or potential loss or damage as soon as reasonably possible.
- » Provide truthful and complete information to us.
- » Not admit liability for, or negotiate to settle, any claim without our written permission.
- » Provide written statements if we reasonably need them.
- » Attend court and give evidence if we reasonably need it.
- » Make your car available to us if we need access to it.
- » Provide reasonable assistance to us, even after we've settled your claim, in any proceedings we take to recover any money we've paid under your policy.

We're entitled to represent you or any other person covered under your policy:

- » In the negotiation, defence, settlement or any legal proceedings relating to a claim on your policy.
- » In any proceedings to recover any money we've paid under your policy.

If you don't provide reasonable assistance to us in relation to these matters, we may:

- » Reject your claim.
- » Pay a reduced amount for your claim.
- » Require you to repay any money paid for your claim.

We'll do this in accordance with applicable law (see 'When we can refuse to pay or reduce the amount we pay under a claim' within the LRO Guide for more detail).

And, finally, you need to send any documents you have received that suggest there is (or may be) a claim made against you which may be covered under this policy as soon as reasonably possible after they are received. These may be emails, letters, notices or court documents that refer to bringing action against you or seeking compensation for injury or damage.

Excesses

When you make a claim, you will be asked to pay an excess before the claim is finalised. The specific excesses that apply to your policy and amounts payable are shown on your schedule. Details of the types of excesses that can apply are set out in the PED Guide. An excess will apply to all sections of your policy unless stated otherwise. More than one excess may apply to your claim.

You will not have to pay an excess towards your claim if both:

- » The incident was solely the fault of the other person (not the person in charge of your car at the time of the incident), and
- » You provide us with enough information so we can identify the 'at fault' driver, including their name, vehicle registration number and contact details.

What we do when your car has been damaged

After we accept your claim, we'll do one of the following:

- » Arrange for the damage to your car to be repaired or replaced to a condition as near as possible to its condition immediately before the incident. We'll do this using materials or components that are current and available at the time of repair.
- » Make a payment to settle your claim based on the reasonable cost of repair or replacement of the damaged parts of your car. This amount will be based on our technical assessment of any quotes provided to undertake the repairs.

In determining which of these approaches to take, we'll act reasonably, having regard to your preference and other relevant factors.

We won't pay more than the agreed value of your car, less any excess and outstanding premium amounts payable by you.

When we repair your car (choosing a repairer)

If we decide to repair your car, we obtain competitive quotes from our network of approved repairers. You can also ask a repairer of your choice to provide a quote.

We provide a lifetime guarantee on workmanship and materials on repairs that we've authorised. We guarantee this quality, whichever repairer is chosen. This is in addition to any other rights you may have. If you wish to make a claim under this guarantee, please contact us with details, including any costs you incur in making the claim.

We won't provide any cover under the lifetime repair guarantee if:

- » We didn't authorise the repairs to your vehicle.
- » There's deterioration or wear and tear caused:
 - > Over time.
 - > By exposing your vehicle to the elements.
 - > By your failure to maintain your vehicle in good order and repair.

Our goods come with guarantees that can't be excluded under the Australian Consumer Law. You're entitled to a replacement or refund for a major failure and compensation for any other reasonably foreseeable loss or damage. You're also entitled to have the goods repaired or replaced if the quality isn't acceptable, even if the failure isn't a major failure.

Previous unrepaired damage contribution

We'll return your car to as near as possible to its condition immediately before the incident. If the repairs to your car leave it in a better condition than before the damage occurred, you may need to contribute to the repair cost if you want to proceed.

This may happen if, for example, there's previous unrepaired damage (or previous poor repairs), rust, wear and tear that mean we need to repair damage to your car that wasn't caused by the incident. We'll always discuss this with you and seek your agreement and contribution to the costs. If you don't want to pay these amounts, we'll pay you for the repairs directly related to the accepted claim. This amount will be that of the assessed quote from our preferred repairer.

Please note that we don't cover repairs to undamaged areas of your car to create a uniform appearance.

We pay for storage

If we've decided to repair your car and we need it to be held in storage until the repairs can start, we'll pay the storage cost.

The parts we use

The parts we use in the repair of your car are covered under our repair guarantee.

To restore your car to its condition immediately before the incident, we'll use parts consistent with your car's age, condition and warranty period and:

- » If your car is within the manufacturer's new vehicle warranty period we'll use new original equipment manufacture (OEM) parts, except for the replacement of windscreens, sunroofs and window glass where we may also use other Australian design rule compliant parts.
- » If your car is outside the new vehicle warranty period we'll use new or recycled OEM parts. For some components, such as radiators and air conditioning condensers, we may also use other Australian design rule compliant parts.

If replacement parts are not available, we'll pay you what it would have cost us to repair your car had the parts been available.

This amount will be based on our technical assessment of any quotes provided to undertake the repairs.

When we declare your car a total loss

We'll declare your car a total loss when either:

- » The damage to your car is such that it would not be safe or economical to repair. This will be the case if the repair costs plus the value of the car in its damaged state are likely to be more than the agreed value.
- » It was stolen and not recovered.

If your car is a total loss, we'll either:

- » Replace your car, if you are entitled to this under our new car replacement cover.
- » Pay you the agreed value of your car.

When this happens, we'll deduct, or you must pay us:

- » Any excesses that will apply.
- » Any unpaid premium (including any remaining instalment payments based on the full annual premium of your policy).
- » The value of the unused portion of your car's registration.

When we settle a total loss claim:

- » Anyone who has a financial interest in your car (of which we are aware) will be paid first and you'll be paid the balance.
- » Your car becomes our property.
- » Your policy comes to an end.
- » There's no refund of any portion of your premium.

About your car's agreed value

At the start of your cover, we may give you a range of values (using our external data provider) to help you choose your car's agreed value. The agreed value should include any vehicle accessories and legal modifications. We then review the agreed value ahead of the beginning of each following period of insurance and provide the value on your schedule. We recommend you review the agreed value to ensure it suits your needs and contact us if you have any concerns. The agreed value may change when your policy renews but it doesn't change during the period of insurance.

Except where a different limit is shown in your policy for an item of cover, the most we'll pay is the agreed value shown in your schedule, less any applicable excesses.

Some items of cover have their own limits. In those cases, we won't pay more than the limit for that item.

Other important information

About your premium

We take into account a number of factors when working out your premium. These factors include but aren't limited to:

- » The make, model and year of your car.
- » Who'll be driving your car and their driving history.
- » The address where your car is kept.
- » Costs associated with operating our business.
- » Government charges.
- » Discounts that may apply to you.

Your premium is shown on your schedule. If you'd like to know more about how your premium is calculated, please refer to our PED Guide.

Paying your premium

You can pay your premium either in one annual payment or by instalments.

Your total premium will be less if you make one annual payment than if you pay it in instalments. The extra amount that you pay for instalments helps cover the increased cost of administering this service.

You can pay your premium in one annual payment, two six-monthly payments, or 12 monthly payments. You can pay by credit card or by direct debit through your financial institution.

When you pay by instalments, you must ensure that:

- » You provide financial details that are correct.
- » You have sufficient funds in your account for each instalment payment.
- » You advise us of any change to your financial details at least two business days before your next instalment payment is due.

You may contact your financial institution if you have an issue about your account or a direct debit.

We'll give you at least 14 days' notice if we change any of your instalment payment arrangements.

If paying by direct debit, we may automatically renew your policy on the renewal date. If we plan to automatically renew, we'll let you know about this at least 14 days before your cover ends and send you details of your renewal premium.

If you don't want to renew your policy, you should let us know before the renewal date.

If you don't pay the full amount of your premium or any additional amount we may charge, we may reduce the period of insurance to match the amount you've paid.

Instalment payments

When you choose to pay by instalments, we'll send you a notice advising of the first and future payment dates.

The first and future direct debit payments will be made on the due date unless that date is not a business day, when the payment will be made on the business day closest to the due date.

Please contact us immediately if you believe that an unscheduled payment has been made.

Where an instalment payment is overdue by:

- » More than 14 days and you make a claim on your policy, we may refuse to pay your claim.
- » More than one month, we may cancel your policy without notice and refuse to pay your claim.

If any of your instalment payments are rejected by your financial institution due to insufficient funds in your account or errors in your financial details, any fees that result from rejections will be payable by you.

Cancellation of instalment payments

If you decide to cancel your instalment payment arrangement, you need to:

- » Give us at least two business days' notice.
- » Arrange with us to pay the remaining premium due.

If you've made a claim, or one has been made against you in the current period of insurance, then you may be required to pay any outstanding premium due on your policy.

Credit card charges

We may charge a merchant fee when you pay your premium or your excess by credit card.

Goods and services tax (GST) and input tax credit entitlement (ITCE)

Your policy, the amounts insured and the premium that you pay are subject to GST.

You may be able to claim an ITCE for the GST that you pay on the premium for your policy. Please advise us of your ITCE when or before you make a claim on your policy.

If you're eligible to claim an ITCE, we'll deduct this amount from any payment we make to you.

We recommend that you seek advice from a financial advisor if you're unsure about the tax implications of your policy.

Cooling off period

When you take out a policy or renew a current policy with us, we give you a cooling off period of 28 days. The cooling off period starts:

- » From the date and time we issue a new policy to you, or
- » On your renewal date.

If you want to cancel your policy during the cooling off period, you must tell us you want to do that. If you do this, as long as you haven't made a claim during this period, we'll refund your premium less:

- » Any non-refundable government charges.
- » Any relevant administration fee.
- » A proportionate amount of the premium for the period of insurance provided up to the point of cancellation, where applicable.

If you'd like to know more, please refer to our PED Guide.

Cancellation by you at any time

You can cancel your policy at any time. To do so, please notify us and we will refund your premium less:

- » Any non-refundable government charges.
- » Our administration fee.
- » Our premium for the period of insurance provided.

Any refund will be limited to the premium paid in the current period of insurance.

If you've claimed on your policy during the period of insurance, a refund of premium may not apply. A refund will not apply when we've paid a total loss claim.

If you'd like to know more, please refer to our PED Guide.

Cancellation by us

If we cancel your policy, we'll advise you in writing and refund you any remaining portion of your premium less:

- » Any non-refundable government charges.
- » Our premium for the period of insurance provided.

If you've claimed on your policy during the period of insurance, a refund of premium may not apply. A refund won't apply when we've paid a total loss claim.

Any refund will be limited to the premium paid in the current period of insurance.

If you'd like to know more, please refer to our PED Guide.

Other fees and charges

If your policy is changed or cancelled and the premium refund or premium payable is less than \$10, no refund or request for payment will be made.

Resolving complaints and disputes

We take great pride in our service to members. If you're not satisfied with the service and would like to make a complaint, please contact us.

Phone **13 17 03**

Email **InsuranceMemberFeedback@rac.com.au**

We take feedback very seriously and will handle any issues according to our complaint and dispute resolution process and in accordance with applicable law. This is set out in our Complaint and Dispute Management Policy available at **rac.com.au**

If you're not satisfied with the way your complaint was handled, you can contact the Australian Financial Complaints Authority for free.

Phone **1800 931 678**

Mail Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

Email **info@afca.org.au**

Web **afca.org.au**

Your privacy

We and our authorised representative, RAC Distribution, (together the 'RAC') collect, store and use your personal information in accordance with the Privacy Act, and as set out here and in our Privacy Policy. By taking out your policy you agree to this.

RAC usually collects your personal information from you directly, though may also collect it from a third party.

If you don't provide us with the personal information we need, we may be unable to issue, administer or manage products and services you wish to purchase.

RAC uses and requires your personal information to consider your insurance application and any subsequent application for insurance, issue and administer your policy, and investigate and assess any insurance claim.

We also use your personal information in the course of administering and managing the products and services you and other members have with us, including for dealing with any complaints and claims. This may include the use of your details to administer a claim by another party.

For the purposes of doing so, your personal information may be passed to, or received from, a joint policyholder, RAC's assessors, investigators, repairers, suppliers, contractors, other insurance companies, insurance reference bureaus, law enforcement agencies, our related companies, legal and professional advisers, IT providers, and their agents, some of whom may be overseas.

The RAC may also use your personal information to tell you about other RAC Group products and services. Your personal information may be passed to other entities for promotional purposes. These entities may be associated with the RAC, operate under RAC's brand, or be agents, contractors or allied organisations. You may tell the RAC not to use your personal information for these promotional purposes at any time by contacting us on **13 17 03**.

If the interest of a financier is noted on your policy, you consent to the RAC providing details of your policy and its currency to the financier.

If you'd like to review or correct the personal information the RAC Group has about you, or if you wish to make a complaint, please call **13 17 03**. For more information, see the RAC Group Privacy Policy at **rac.com.au**

Financial Claims Scheme

The purpose of the Financial Claims Scheme (FCS) is to protect certain policyholders and claimants in the event an insurer becomes insolvent and can't pay its obligations under the policy. A person entitled to claim may be entitled to payment under the FCS, subject to meeting eligibility criteria. Information about the FCS can be obtained from the Australian Prudential Regulation Authority (APRA) website at **fcs.gov.au** or the APRA hotline on **1300 55 88 49**.

The General Insurance Code of Practice

We adhere to the General Insurance Code of Practice, which aims to improve industry standards and practice across general insurance products and services.

The code is independently monitored and enforced by the Code Governance Committee. You can obtain a copy of the code by visiting **codeofpractice.com.au**

Updating the PDS

We may need to update this PDS from time to time if certain changes occur, where required and permitted by law. We'll issue you with a new PDS or a Supplementary PDS or other compliant document to update the relevant information except in limited cases. 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 calling us.

About us

Please contact us if:

- » You need to clarify any of the information contained in this PDS or your policy documents.
- » You wish to confirm a claim transaction.
- » You have any other queries about your policy.

The underwriter and the issuer of your policy is RAC Insurance Pty Limited (ABN 59 094 685 882, AFS licence number 231222), a wholly owned subsidiary of RACI Pty Ltd (ABN 40 008 671 805), part of the RAC Group of Companies.

You can contact us:

Phone **13 17 03**

Web **rac.com.au**

In person visit any RAC member service centre

Mail PO Box C140, Perth WA 6839

Definitions

When used in this PDS, the following words have defined meanings.

accident or accidental – an event that happens during the period of insurance that was sudden, unintentional and unexpected where loss or damage occurs. This includes a series of events arising out of the one occurrence.

agreed value – the amount we agree to insure your car for. The amount is listed on your schedule. It includes the value of GST, registration, on-road costs and any vehicle accessories and legal modifications.

consequential loss – is any loss or damage following an insured event, that is not directly caused by an insured event. Consequential loss includes but is not limited to:

- » The cost of your time to help us with your claim, loss of wages or income, medical costs.
- » Non-financial loss including loss of opportunity or enjoyment, physical or mental stress or inconvenience, injury to feelings or humiliation, delay in claims handling or repairs, interference to peace of mind.

excess – the amount you need to pay towards settlement of any claim.

incident – an accidental event.

keys – a device designed to access or start your car.

modifications – any structural or mechanical alteration made to your car's original specification that may affect its value or performance.

moonroof – same as sunroof (see sunroof).

PED Guide – Premium, Excess and Discount Guide designed to provide you with additional information about discounts, excesses and the calculation of premiums that apply under your policy. It's available at rac.com.au or by calling **13 17 03**.

period of insurance – the period of time your policy provides cover for, as shown in your schedule.

policy – together this PDS, PED Guide, LRO Guide, schedule and any document that we tell you forms part of the terms and conditions of your insurance such as a Supplementary PDS we may issue.

premium – the amount you pay for your insurance. This includes GST and government charges.

rideshare or ridesharing - the use of your car to carry passengers for a fee but does not include the use of your car as a taxi, limousine or to provide a chauffeur or small charter service.

schedule - the document we give to you that shows the particular details about you, your car and the insurance we have agreed to provide.

sunroof - a glass panel in the roof of a car that can be opened for ventilation.

terrorism - any act of terrorism including but not limited to the use of force or violence and/or threat, by any person or group of people done for (or in connection with) political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

tools of trade - tools, equipment and machinery you use to earn an income in your current business, trade or profession. This doesn't include office equipment or stock.

vehicle accessories - items specifically manufactured to only be used while fitted to a car and that are not reasonably capable of being used separately from a car.

we, us, our - RAC Insurance Pty Limited.

you, your - the person, people or entity named as the policyholder on your schedule.

your car - the vehicle described in your schedule, including its modifications and vehicle accessories.

Financial Services Guide

About this Financial Services Guide (FSG)

This Financial Services Guide provides you with information about RAC Distribution Pty Ltd (in this FSG defined as RAC Distribution, we or us) to assist you in deciding whether to use the financial services we provide. This FSG outlines the type of services and products we can offer you. It also explains how we are remunerated and includes details of our complaints handling procedures and how you can access them.

Any advice about the products we give you is of a general nature. We don't take into account your needs, specific objectives or financial position.

You can contact us:

Phone **13 17 03**

Web **rac.com.au**

In person visit any RAC member service centre

Mail PO Box C140, Perth WA 6839

Our services

RAC Distribution is authorised by RAC Insurance Pty Limited (RAC Insurance) to offer you a range of financial services on RAC Car Insurance including to:

- » Provide general product advice (advice that has not been tailored to your personal objectives, financial situation or needs).
- » Arrange for the issue of RAC Insurance's products.
- » Issue RAC Insurance's products as its agent.
- » Agree on policy variations with you.

How we are paid

RAC Distribution does not charge you a fee or commission for our services.

We operate under a fee-for-service arrangement based on the amount of time we spend providing sales and services on behalf of RAC Insurance. This fee is reviewed annually and is subject to change from time to time.

Employees of RAC Distribution receive a salary and operate under a performance-based incentive scheme. On average, the bonus is unlikely to exceed 2% of the employees' annual salary.

You may, within a reasonable time after receiving this FSG and before any financial service is provided, request to obtain further information about the remuneration, fees and any benefit that may be paid to us for these services.

Addressing complaints

Customer satisfaction is a priority for us. If you have a complaint about the financial services we have provided, please follow the steps for resolution of complaints set out in the Product Disclosure Statement section on 'Resolving complaints and disputes'.

Compensation arrangements

RAC Distribution has professional indemnity insurance for the financial services outlined in this FSG. The professional indemnity cover extends to financial services provided by representatives who are no longer employed by us in that capacity but who provided such financial services at the time the loss, damages or breach of an obligation occurred.



We're here to help

p 13 17 03

w rac.com.au

Deaf, hearing or speech impaired members may refer to **accesshub.gov.au**

RAC Insurance Pty Limited ABN 59 094 685 882
AFS Licence Number 231222

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