

## EDUCATION – COMPREHENSIVE ELECTRONIC EQUIPMENT INSURANCE WORDING

### FINANCIAL SERVICES GUIDE Issued 1<sup>st</sup> January 2009

This Financial Services Guide (FSG) is issued by Protecsure Pty Ltd ABN 26 094 997 163, Australian Financial Services Number 238815.

#### PURPOSE OF FINANCIAL SERVICES GUIDE (FSG)

This FSG is designed to help *you* decide whether to use the financial services we provide and explains the products and services we can offer *you*, how we and others are remunerated for the services offered to *you*, and our complaint handling procedures.

#### SERVICES OFFERED

We can provide *you* with factual information and general advice about *equipment* insurance and can arrange an insurance policy that will provide cover for *your equipment*. Alternatively *you* can obtain insurance from an insurance company of *your* choice.

When providing general and factual advice about *equipment* insurance, we do not take into account *your* personal circumstances, needs or objectives. *You* should consider the advice in light of *your* personal circumstances and/or seek independent professional advice from a qualified adviser.

#### HOW WE ARE PAID

Protecsure receives between 20-30% of the total insurance premium to cover product development, marketing materials, compliance requirements, arranging the insurance and managing claims.

#### IMPORTANT RELATIONSHIPS

Protecsure has a binding authority from the insurer, Chubb Insurance Company of Australia Ltd ("Chubb") to provide *equipment* insurance and manage claims. Under this authority Chubb has appointed Protecsure as its agent, on terms that an insured who deals with Protecsure in relation to this insurance will have the same legal protection as if the insured had dealt directly with Chubb. Any *equipment* insurance arranged for *you* will be provided under a policy issued by Chubb.

#### Protecsure Pty Ltd (ABN 26 094 997 163, AFSL No 238815)

Level 2, 171 Clarence Street, Sydney NSW | 2000 Ph (02) 8270 6400 | Fax (02) 9249 3850

#### Chubb Insurance Company of Australia Ltd (ABN 69 003 710 647 AFSL 239778)

Level 29, 2 Park Street, Sydney NSW 2000 | Ph (02) 9273 0100 | Fax (02) 9273 0101

#### GENERAL INSURANCE CODE OF PRACTICE

Protecsure abides by the Insurance Council of Australia's General Insurance Code of Practice as adopted by Chubb. For more information see [www.codeofpractice.com.au](http://www.codeofpractice.com.au).

#### PRIVACY STATEMENT

We are committed to protecting *your* privacy. Insurance information supplied by *you* will be used only to arrange the insurance. We only provide *your* information to the company (Chubb) that is involved in providing the insurance or the services related to it. We do not trade, rent or sell *your* information. *You* can check the information we hold about *you* at any time. Further information on our Privacy Policy can be accessed on our website.

#### COMPLAINTS AND DISPUTES ABOUT OUR SERVICES

Any complaint about our services should be put in writing and sent to Protecsure. If not resolved to *your* satisfaction *you* can refer it to the external disputes resolution scheme (the Insurance Ombudsman Service) of which Protecsure is a member. For information please call 1300 780 808.

Protecsure holds professional indemnity insurance in accordance with the requirements of Section 912B of the Corporations Act.

### PRODUCT DISCLOSURE STATEMENT Issued 1<sup>st</sup> January 2009

This Product Disclosure Statement (PDS) is designed to help *you* understand what *you* need to know about the Education insurance policy so that *you* can make an informed choice about whether to acquire this product. Full details of the insurance cover, the exclusions from cover and the terms and conditions on which the insurance is provided are set out in the policy wording attached to and forming part of this PDS.

#### WHO ARRANGES AND INSURES THE POLICY?

The policy is arranged by Protecsure Pty Ltd (AFS Licence No 238815), under a binding authority from the insurer, Chubb Insurance Company of Australia Ltd ("Chubb", ABN 69 003 710 647 AFSL 239778). Protecsure acts as the agent of the insurer, not as *your* agent. Please contact Protecsure if *you* have any questions about *your* policy.

#### WHAT THE POLICY INSURES

The policy insures against *theft* of, or *accidental damage* to the *equipment* (including standard manufacturer-installed operating systems and accessories) that occurs within Australia or its Territories, or on journeys outside that area of not more than 28 consecutive days.

Please refer to the terms, conditions and exclusions of the insurance as outlined in the Policy Wording below.

#### COST OF THE INSURANCE

The cost of the insurance (premium) will be shown in the Tax Invoice. It will depend on various factors including the type of cover *you* require, the type of *equipment*, the value of the *equipment*, the age of the *equipment*, the *user*, the geographic area in which the *equipment* will be used, the amount of the excess, and the term of the insurance. The premium also includes statutory charges such as GST and stamp duty.

#### EXCESS

*You* may be able to nominate the excess in the Application Form or the insurer will decide which excess will apply based on an assessment of the risk. Your excess will be stated on the Certificate and must be paid each time a claim is accepted and before the claim is finalised.

#### BENEFITS OF THE INSURANCE

Benefits of the insurance are contained within the "Insurer's Liability" and the "Insurer's Maximum Liability" sections of the Policy Wording.

#### COOLING OFF

*You* may cancel *your* insurance by contacting Protecsure within 21 days of *your* cover commencing and receive a full refund of the premium. *You* will not be eligible for a refund if a claim is paid due to an insured event arising during this cooling off period.

#### COMPLAINTS AND DISPUTES

Please refer to the Financial Services Guide.

#### DUTY OF DISCLOSURE

Before *you* enter into a general insurance contract, *you* have a duty under the Insurance Contracts Act 1984 to disclose to the insurer every matter that *you* know, or could reasonably be expected to know, is relevant to the insurer's decision whether to insure *you* and if so, upon what terms.

*You* have the same duty before *you* extend, vary or reinstate the insurance. This duty does not require disclosure of any matter that:

- Reduces the risk to the insurer;
- Is of common knowledge;
- The insurer knows, or in the ordinary course of its business, ought to know; or
- Where compliance with this duty is waived by the insurer.

If *you* fail to comply with this duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract. If *your* non-disclosure is fraudulent, the insurer may be entitled to cancel the contract from its beginning.

### POLICY WORDING

#### AGREEMENT TO INSURE

In return for payment of the premium stated in the Certificate, the Insurer will cover *you* for theft of, or *accidental damage* to, the *equipment* as set out in this policy occurring during the period of insurance.

#### ACCIDENTAL DAMAGE

The Insurer will compensate *you* on the terms and conditions of this policy, for *accidental damage* to the *equipment* occurring by physical means.

#### THEFT

The Insurer will compensate *you* on the terms and conditions of this policy for theft of the *equipment*.

#### INSURER'S LIABILITY

The insurer may either repair or replace damaged *equipment*. Any replacement will be with an item of similar function, type, capacity and serviceability as the insured *equipment*. The insurer will not pay more than the lower of:

- The cost of such a replacement item;
- The amount for which *you* have insured the *equipment* (which will be shown on your Certificate);
- The cost of repairing the damaged *equipment*. If the *equipment* is repaired, the insurer will not pay more for parts and labour than the prices which are agreed from time to time between the original *equipment* manufacturer, Protecsure, and its approved repairers.

#### INSURER'S MAXIMUM LIABILITY

The most the insurer is liable to pay in meeting all claims under this policy is two times the purchase price of the *equipment* stated on the Certificate less all excess.

#### AUTO REINSTATEMENT

Insurance will be reinstated without payment of additional premium on one occasion to cover the *replacement product* provided by the insurer in settlement of a claim for *total loss* of the *equipment* described in the Certificate.

#### EXCESS

*You* must pay Protecsure the excess stated on the Certificate each time a claim is accepted and before the claim is finalised. If there is more than one item of *equipment*, the excess is payable for each item.

#### SCHOOL USERS

The unattended theft exclusion will not apply in the case of school users while the *equipment* is within the premises of a kindergarten, primary or secondary educational facility in Australia or its Territories and is being used in an activity organised and supervised by the school as part of its educational or sporting program.

## PERIOD OF INSURANCE

Insurance cover commences at the time the *equipment* is made available to the *user*, or if there is to be no *user* when purchased by *you*. Cover ceases when a cancellation event first occurs. No invitation to renew will be offered.

## CANCELLATION EVENTS

The following are cancellation events:

- 4pm on the last day of the period of insurance stated in the Certificate;
- Theft of, or *accidental damage* to, the *equipment* has occurred resulting in the Insurer becoming liable to pay the aggregate maximum claims payments. No refund of premium for any unexpired period of insurance is payable;
- *You* giving Protecsure written notice of cancellation; or
- The Insurer cancels this insurance by exercising a right it may have under this policy or by law and gives at least 14 days written notice of cancellation posted to *your* last known address

Third party interest: If the Insurer has notice that a third party, such as a financier, has an interest in all or any item of the *equipment*, the Insurer may refuse to recognise and act on a notice of cancellation given by the insured unless the third party has consented in writing to the cancellation.

## CLAIMS REQUIREMENTS

To be entitled to claim for theft or *accidental damage* to the equipment:

- **Payment of premium:** Full payment of the premium noted in the certificate must have been received by us.
- **Ownership:** *You* must be able to prove *you* are the owner of the *equipment*.
- **Geographical Area:** the theft or *accidental damage* must occur either within Australia and its Territories, or for mobile *equipment* only, outside that area during a return journey of not more than 28 consecutive days. Please enquire of Protecsure if *you* wish to extend this period beyond 28 days by payment of additional premium.
- **Transit:** For cover during transit the *equipment* must accompany *you* or the *user* as cabin baggage.
- **Notification:** *You* must notify Protecsure within 14 days of the theft or *accidental damage* occurring. Protecsure may extend this time where it is satisfied that notice is given at the earliest possible opportunity. Theft or malicious *damage* to the *equipment* must also be promptly reported to the police and the report number given to Protecsure.
- **Co-operation:** *You* must provide Protecsure with all documents, information and assistance it requires to be able to process the claim. *You* must also take reasonable action to minimise the damage. Damaged *equipment* and parts must be kept and made available to Protecsure on request.
- **Effect of Cancellation notice:** A claim may not be made for theft or *accidental damage* to the *equipment* that occurs after *you* give notice of cancellation of this insurance.
- **Delivery to Repairer:** Damaged *equipment* must be promptly delivered to the repairer nominated by Protecsure.
- **Exclusions:** An exclusion under this policy must not apply, and *you* must not have breached a term of this policy.
- **Use of Equipment:** The *equipment* must be used and maintained according to the manufacturer's recommendations so that any manufacturer's warranty will not be voided.

## EXCLUSIONS

Cover will not be available if the theft or *accidental damage* to the *equipment* occurs:

- after the period of insurance;
- on an aircraft unless the *equipment* accompanies *you* or the *user* as cabin baggage except where airport authorities or an international airline as a condition of travel require the *equipment* be placed in the hold of an aircraft during an international journey, and the claim is not recoverable from an airline;
- while the *equipment* is made available to a person other than:
  - the insured
  - the *user*, or
  - a repairer authorised by Protecsure;
- while the *equipment* is unattended, except where:
  - in a locked vehicle and out of sight; or
  - in premises *reasonably secured* from being accessible by an intruder or the public; or
  - the *equipment* is unintentionally left on public transport.

Cover will not be available:

- if the theft is caused by the *user*, a member of *your* family or *your* employee or if *you* or the *user* have assisted or condoned the theft in any way;
- for replacement of batteries or parts worn by use or gradual deterioration;
- for wear, tear, fading, scratching, marring, gradual deterioration or developing flaws, normal upkeep or making good;
- for theft, *accidental damage*, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, or in connection with, any act of *terrorism*, or from nuclear fallout, regardless, of any other cause or event contributing concurrently or in any other sequence to the loss;
- for loss of data, or loss of software that is not a standard manufacturer installed operating system, or for loss of extended warranty or other optional extras not included on the Certificate;
- for theft, *accidental damage*, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, or in connection with war, invasion, act of foreign enemy, hostilities, (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power, or requisition or destruction of, or damage to, property by, or under, the order of any Government or Public or Local Authority in preventing, or attempting to prevent, any such act, or in minimising the consequences or any such act or confiscation or nationalisation;
- for damage caused by excessive exposure to sunlight, heat, corrosion, contamination, pollution, vermin, animal, or temperature variations;

- for *accidental damage*, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, or in connection with fire. Fire, as a peril, is covered under a separate Master Policy;
- for *accidental damage*, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, or in connection with inappropriate storage, screen bruising, servicing, breakdown, malfunction, design fault, or electrical supply other than a power surge;
- for damage caused by data processing, media failure, inherent defects, natural causes such as insects, rust, environmental and climatic conditions;
- for consequential loss of any kind.

## FIRE

Loss by fire is covered separately for no additional charge under a Master Policy underwritten by Chubb Insurance Company Of Australia Limited and can be viewed at [www.protecsure.com.au](http://www.protecsure.com.au)

## SETTLEMENT OF CLAIMS

The following conditions apply to settlement of a claim, or series of claims, from any one event:

**Settlement for theft:** The Insurer will acquire and give *you* a *replacement product* where a claim is accepted for *total loss* of the *equipment* and *you* pay the excess, unless Protecsure determines to settle the claim by a cash payment.

**Settlement for damage:** The Insurer will arrange repair of the *equipment* by a repairer nominated by Protecsure where a claim for *accidental damage* to the *equipment* is accepted and *you* pay the excess.

**Damage treated as total loss:** Protecsure may determine to treat damage to the *equipment* as a *total loss* in which event a *replacement product* will be provided to *you* unless Protecsure determines to settle the claim by a cash payment.

**Repairs:** Repair of the *equipment* will include reasonable freight costs to and from the nominated repairer, but will not include work authorised by *you*. A repair may include the use of new or remanufactured parts.

**Cash payments:** A cash payment in settlement of a claim will only be paid where further repair or replacement of *equipment* would exceed the purchase price of the *equipment* stated on the Certificate less the excess or, Protecsure determines to settle the claim in this way. The cash payment will be the cost of a *replacement product*.

**Claims Contracting:** In settling a claim, the Insurer, or Protecsure as its agent, will contract with the supplier for repair or replacement of the *equipment*, entitling the Insurer to the input tax credit on the supply.

**Small business claims:** If *you* are registered or required to be registered for GST, a claim will be reduced by the amount of any input tax entitlement *you* would have received if *you* paid for the repair or replacement of the *equipment*.

**Salvage:** The Insurer has all salvage rights to replaced *equipment* or parts.

## GENERAL CONDITIONS

**Jurisdiction:** New South Wales law governs this contract and all proceedings must be commenced in that State.

**Assignment:** *Your* interest in this policy cannot be assigned. The Insurer may assign its interest.

**Subrogation:** *You* must do all things reasonably required by the Insurer or Protecsure so that the Insurer will have the benefit of all rights of subrogation such as enforcing any right in *your* name. If the Insurer makes any recovery as a result of such action, *you* may only recover from the Insurer any amount by which the amount recovered by the Insurer exceeds the amount paid to *you* or on *your* behalf in relation to the loss.

**Notices:** All notices to be given to the Insurer may be given to Protecsure. Notices given by the Insurer may be given by Protecsure. *You* should promptly notify Protecsure of a change of *your* address.

**Responsibility for user:** Unless *you* are an educational institution *you* are responsible for all acts and conduct of the *User*.

**Reasonable care:** *You* must take reasonable care to protect the *equipment* from *accidental damage* or theft.

**Headings:** Headings are not to be considered in interpretation of this contract.

## DEFINITIONS

In this contract:

**Accidental damage** means physical damage which occurs as a result of a sudden, unforeseen and unexpected event. The event must arise from a single identifiable incident.

**Equipment** means the electronic *equipment* described in the Certificate, and includes standard manufacturer installed operating systems, carrying cases and incidental accessories such as external disk drive, port replicator, mouse and keyboard.

**GST** means Goods and Services Tax imposed under A New Tax System (Goods and Services Tax) Act 1999.

**Reasonably Secured** means taking precautions to secure the *equipment* so it is not accessible to the public or an intruder.

**Replacement product** means a product, which may be a new or remanufactured item, having similar capability, functionality and appearance as the item of *equipment* being replaced prior to its damage or theft.

**Terrorism** has its generally accepted meaning, and includes, but is not limited to, war, hostilities, invasion, the use of force or violence on, or the threat of force or violence to, a person or group or class of persons, or to property, by one or more persons claiming to be connected with any group, organisation or government, or to be committed to a cause whether political, religious, ideological or similar purposes, including an intention to influence a government, or invoke fear.

**Unattended** means the *equipment* is left unaccompanied or unsupervised.

**User** means a person or persons who with *your* approval will be a primary *user* of the *equipment*.

**You or Your** refers to the insured named in the Certificate.

**Total Loss** means the *equipment* has been damaged beyond economical repair or has been stolen