



Mercedes-Benz Insurance

## Finance GAP Cover

Product Disclosure Statement  
and Policy Wording



Mercedes-Benz

# How this insurance is arranged

This product is issued/insured by:

**Chartis Australia Insurance Limited (Chartis)**  
**ABN 93 004 727 753, AFSL 381686**  
**Level 19, 2 Park Street, Sydney NSW 2000.**

Chartis issue/insure this product, pay insurance claims and prepare the Product Disclosure Statement.

Cover is arranged and distributed by:

**Mercedes-Benz Financial Services Australia Pty Ltd trading as**  
**Mercedes-Benz Insurance ('Mercedes-Benz Insurance')**  
**ABN 73 074 134 517 AFSL 247271**  
**Level 1, 41 Lexia Place**  
**Mulgrave Vic 3170**  
**Tel: (03) 8554 3000**

Mercedes-Benz Insurance are appointed for this purpose as a Binder Operator of Chartis which allows them to deal on Chartis' behalf in relation to this product. Mercedes-Benz Insurance or its Authorised Representative will provide You with a Financial Services Guide ("FSG") to help You decide whether You wish to use the services they offer.

Mercedes-Benz Insurance utilise years of local expertise, combined with global experience to offer a range of highly featured products and services to customers. As a member of the worldwide Daimler Financial Services Group, Mercedes-Benz Insurance is committed to continuous improvement of products and services.

Mercedes-Benz Insurance aspires to Insurance Industry best practice procedures in all aspects of their business, so You can relax knowing the quality and integrity of the services provided to You.

**Mercedes-Benz Insurance**  
General Enquiries 1300 730 200

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# Product Disclosure Statement ('PDS')

This PDS contains information about the key benefits and significant features of your policy. Its purpose is to assist you in your decision to purchase insurance.

It also contains important information about your rights and obligations including the duty of disclosure and cooling off.

Details about the product issuer and relationship with Mercedes-Benz Insurance can be found on the first page of this booklet under '**How this insurance is arranged**'.

Date Prepared: 15.3.2011

Approval Number: 08/00081.2

## Highlights of the cover

**The following highlights are a summary of cover only. For complete policy conditions and exclusions please read carefully the Policy Wording printed in this booklet.**

The benefits under this policy will vary in accordance with the level of cover you have selected. Various Cover Options are available to you and these are outlined in the table below.

Cover Type	Base Cover Benefit	Additional Benefits
Option 1	\$15,000	\$1,250
Option 2	\$15,000	\$1,600
Option 3	\$15,000	\$2,500
Option 4	\$15,000	\$5,000
Option 5	\$20,000	\$7,500
Premier 1	\$25,000	\$10,000
Premier 2* *vehicles over \$200,000 only	\$25,000	\$10,000

Base level cover provides cover for:

- Up to \$25,000 Finance Gap cover (dependant on the level of cover selected from the table above) for Motor Vehicles where there has been a Total Loss through fire, accident or theft where the Agreed Value or current Market Value that is paid out by the Comprehensive Motor Vehicle Insurer is lower than the Outstanding Balance due to your vehicle Financier.

## Additional Benefits

Additional Benefits provide cover toward the cost of:

- Any excess paid by you under your Comprehensive Motor Vehicle Insurance. (The vehicle must be deemed a Total Loss by your Comprehensive Insurer.)
- “On road” costs payable in relation to the purchase of a replacement vehicle.
- First years premium of the Comprehensive Motor Vehicle Insurance policy for the replacement vehicle.
- Up to 10 days car hire up to a maximum of \$70 per day. (Proof of hire car costs must be supplied.)
- Private expenses directly incurred as a result of a Total Loss of the Motor Vehicle including but not limited to additional travelling expenses, overnight accommodation, meals and phone calls that would not have been incurred if it were not for the Total Loss.

Additional Benefits will be paid by Chartis to you upon receipt from you of any of the following documentation which Chartis require:

- The relevant receipts and / or invoices relating to the Additional Benefit claimed.
- Your confirmation or declaration that Additional Benefits will not be used in any way to repay any Outstanding Balance due on the Finance Contract to the Financier

## No Gap Benefit

In the event of a Total Loss Payout by your Comprehensive Motor Insurer, and the Total Loss Payout figure is equal to, or greater than the Outstanding Balance due to your vehicle Financier (ie: there is No Financial Gap), Chartis will pay the Additional Benefits consistent with the Cover Option chosen by you, as set out on page 15 under “Limit on amount we pay”. This payment is called a No Gap Benefit payment.

The No Gap Benefits are the same as the Additional Benefits outlined above.

No Gap Benefits will be paid by Chartis to you upon receipt from you of any of the following documentation which Chartis require:

- Written confirmation from your Comprehensive Insurer that they have made a Total Loss Payout to your Financier and the amount paid.
- The relevant receipts and / or invoices relating to the No Gap Benefit claimed.
- Your confirmation or declaration that No Gap Benefits will not be used in any way to repay any Outstanding Balance due on the Finance Contract to the Financier

## Costs

The premium for the Cover Option You select will be shown on Your certificate of Insurance.

Premiums are based on the cost of Your Motor Vehicle and Your selected level of cover.

You will also have to pay any compulsory government charges such as Stamp Duty, GST and Fire Services Levy (where applicable) plus any additional charges we tell you of.

We tell You the total amount payable when You apply for, and if You effect cover, the amounts due will be confirmed in Your Policy Schedule.

## Deductible or Excess

There is no deductible or excess applicable to this insurance.

## Important matters regarding your policy

Please read the Policy Wording carefully for full details about the benefits, terms and conditions that apply to this insurance. Take special note of the following:

1. **“Your cover explained”** on page 16 of the PDS.
2. **“Your duty of disclosure”** and **“What does that mean?”** sections on pages 7 and 12 of the Policy Wording.
3. **“What we will not pay”** on page 18 of the Policy Wording.
4. This **PDS** and **Policy Wording** booklet also contains important information about Privacy, the Duty of Disclosure and the General Insurance Code of Practice contained in the **“Dispute Resolution”**, **“Privacy Consent & Disclosure”** and **“Your Agreement”** sections on pages 7, 9, and 11 of this booklet.

## What to do in the event of a claim.

1. Contact Chartis for a claim form as soon as you suffer a Total Loss. You must fully complete the form, sign and return it to Chartis as soon as possible. You must give Chartis written statements and any other information we ask for to support your claim and provide assistance when required.

Contact details are:

**Freecall Phone: 1800 222 123**

or in writing to:

Chartis Australia Insurance Limited  
Level 19, 2 Park Street, Sydney NSW 2000

2. Chartis may also request You to authorise:
  - Your Comprehensive Motor Insurer to release all documents relevant to any payout under Your Comprehensive Motor Vehicle Insurance policy.
  - The Financier to release to us all documents relevant to verification of the Amount you owe the Financier under the Finance Contract.

## Code of practice

Chartis is a signatory to the General Insurance Code of Practice. This aims to raise the standards of practice and service in the insurance industry, improve the way that claims and complaints are handled and help people better understand how general insurance works. Information brochures on the Code are available upon request.

## Dispute resolution

We are committed to handling any complaints about our products or services efficiently and fairly.

If you have a complaint:

1. Contact Mercedes-Benz Insurance and they may raise it with us.
2. If Your complaint is not satisfactorily resolved You may request that Your matter be reviewed by management by writing to:

The Compliance Manager  
Chartis Australia Insurance Limited  
Level 19, 2 Park Street, Sydney NSW 2000

3. If You are still unhappy, You may request that the matter be reviewed by Our Internal Dispute Resolution Committee (“Committee”). We will respond to you with the Committee’s findings within 15 working days.
4. If You are not satisfied with the finding of the Committee, You may be able to take Your matter to an independent dispute resolution body, Financial Ombudsman Service Limited (FOS). This external dispute resolution body can make decisions with which Chartis are obliged to comply.

### **Contact details are:**

Financial Ombudsman Service Limited  
Phone: 1300 780 808 (local call fee applies)  
Email: [info@fos.org.au](mailto:info@fos.org.au)  
Internet: [www.fos.org.au](http://www.fos.org.au)  
GPO Box 3, Melbourne, Victoria 3001

## Duty of disclosure

### **What you must tell Us**

When answering Our questions, You must be honest and You have a duty under law to tell Us anything known to You, and which a reasonable person in the circumstances , would include in answer to the question. We will use the answers in deciding whether to insure You and anyone else to be insured under the Policy, and on what terms.

### **Who needs to tell Us**

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

### **If You do not tell Us**

If You do not answer Our questions in this way, We may reduce or refuse to pay a claim, or cancel a Policy. If You answer Our questions fraudulently, We may refuse to pay a claim and treat the Policy as never having worked.

## Cooling off period

If you decide that you do not wish to continue with this policy, you have 21 days after the commencement of this insurance to request cancellation. We will provide you with a full refund of premium paid, provided you have not made a claim under the policy.

## Privacy consent and disclosure

Mercedes-Benz Insurance has been appointed as a binder operator of Chartis for the purposes of dealing in the gap cover insurance policies. Chartis have adopted the National Privacy Principles (“NPP’s”). The NPP’s apply to any personal information collected by Chartis. Mercedes-Benz Insurance is also contractually bound to comply with the NPP’s.

### Purpose of collection

Chartis collect information necessary to underwrite and administer your insurance cover, to maintain and to improve customer service and to advise you of our products. In the course of administering your policy Chartis may exchange your personal information or disclose Your personal information to:

1. another member of the Chartis group of companies either in Australia or overseas.
2. contractors or third party providers providing services related to the administering of Your policy.
3. banks and financial institutions for the purpose of processing Your application and obtaining policy payments
4. in the event of a claim, assessors, third party administrators, emergency providers, retailers, and Comprehensive Motor Insurers.

We will only disclose Your personal information to these parties for the primary purpose for which it was collected. In some circumstances Chartis is entitled to disclose Your personal information to third parties without Your authorisation such as law enforcement agencies or government authorities.

## Access to Your information

You may gain access to Your personal information by a written request to Chartis. In some circumstances, Chartis may not permit access to Your personal information.

Circumstances where access may be denied include where it would compromise the privacy of other individuals, or where it would be unlawful.

Chartis has also established an internal dispute resolution process for handling customer complaints and an access and correction procedure. Both procedures are generally free of charge however we reserve the right to charge for access requests in limited circumstances.

If You feel You have a complaint about Chartis' Information Privacy Principles, require assistance in lodging a privacy complaint, or You wish to gain access to the information, You may write to The Privacy Manager, Chartis Australia Insurance Limited, Level 19, 2 Park Street, Sydney NSW 2000, or email: [australia.privacy.manager@chartisinsurance.com](mailto:australia.privacy.manager@chartisinsurance.com)

Your complaint will be reviewed and You will be provided with a written response. If it cannot be resolved, Your complaint will be referred to Chartis' Internal Dispute Resolution Committee who will respond within 15 working days. In either case the matter will be reviewed by a person or persons with appropriate authority to deal with the complaint.

Should Your complaint not be resolved by Chartis' internal dispute resolution process, You may apply to the Privacy Commissioner for review of the matter.

Mercedes-Benz Financial Services Australia Pty Ltd have also adopted the National Privacy Principles as set out in Schedule 3 to the Privacy Amendment (Private Sector) Act 2000. To view the Schedule visit [www.privacy.gov.au/news/pab.html](http://www.privacy.gov.au/news/pab.html). For a copy of the company's policy on its management of personal information contact Mercedes-Benz Financial Services Legal Department on (03) 8554 3000.

## Policy wording

### Our commitment to you

Thank you for choosing Mercedes-Benz GAP Insurance underwritten by Chartis Australia Insurance Limited ABN 93 004 727 753 (Chartis).

### Your agreement

This policy, the proposal and the Policy Schedule is Your contract of insurance with Chartis.

When this policy was issued, Chartis relied on:

- the information You disclosed in the proposal; and
- You paying the premium for the Cover Option You chose in the proposal.

Chartis will only give You this cover for the period stated on the Policy Schedule.

When You have paid the Premium required for the Cover Option selected, We will provide You with cover subject to the terms, conditions, and exclusions contained in this document and Your Policy Schedule.

## Your duty of disclosure

### What you must tell Us

When answering Our questions, You must be honest and You have a duty under law to tell Us anything known to You, and which a reasonable person in the circumstances , would include in answer to the question. We will use the answers in deciding whether to insure You and anyone else to be insured under the Policy, and on what terms.

### Who needs to tell Us

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

### If You do not tell Us

If You do not answer Our questions in this way, We may reduce or refuse to pay a claim, or cancel a Policy. If You answer Our questions fraudulently, We may refuse to pay a claim and treat the Policy as never having worked.

## What does that mean?

**Agreed Value** means the sum insured that You and Your Comprehensive Motor Vehicle Insurer have agreed to insure Your vehicle for.

**Amount Borrowed** means the amount of any credit provided under the Finance Contract (exclusive of interest or terms charges), or should the Finance Contract be a lease, then the amount of the cash price of Your vehicle inclusive of any residual payment specified in the lease.

**Commencement Date** means the later of the date funds are advanced by the Financier for the acquisition of Your vehicle or the date You signed the proposal.

**Comprehensive Motor Insurer** means the insurance company that has insured Your vehicle for loss or damage under Your Comprehensive Motor Vehicle Insurance policy.

**Comprehensive Motor Vehicle Insurance** means the policy of insurance which provides cover for loss of or damage to Your vehicle being in force as at the date of the incident resulting in the Total Loss.

**Cover Option** means the option selected by You in the proposal

**Financier** means the finance company named in the proposal and schedule.

**Finance Contract** means the finance contract taken out for the purchase or lease of Your vehicle described in the schedule.

**Market Value** means the current Market Value of Your vehicle immediately prior to the incident resulting in the Total Loss. This value is determined by Your Comprehensive Motor Insurer.

**Mercedes-Benz Insurance** means Mercedes-Benz Financial Services Australia Pty Ltd ABN 74 073 134 517 trading as Mercedes-Benz Insurance.

**Motor Vehicle** means the Motor Vehicle described in the Proposal and Schedule including its standard equipment, tools and accessories that were in or attached to the vehicle at the time of purchase.

**Outstanding Balance** means the amount owing to Your Financier under Your Finance Contract as at the date of the incident resulting in the Total Loss.

**Policy Schedule** means the most recent schedule we give You describing the details that are specific to Your policy.

**Premium** means the amount You pay for this policy.

**Terrorism** is any act which may, or may not, involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological aim.

**Total Loss** means in the event Your vehicle is stolen and not recovered and/or damaged and is deemed a Total Loss by Your Comprehensive Motor Vehicle Insurer.

**Total Loss Payout** means the payout of either the Market Value or the Agreed Value by Your Comprehensive Motor Vehicle Insurer following the Total Loss of Your vehicle.

**We, Us and Our** means the underwriter, Chartis Australia Insurance Limited ABN 93 004 727 753 (Chartis)

**You and Your** means the Insured person(s) named in the schedule.

## Limit on amount we pay

The maximum amount Chartis will pay in relation to a claim made under this policy is based on the Cover Option selected in the proposal. Limits are outlined in the table below.

Cover Type	Base Cover	Additional Benefits
Option 1	\$15,000	\$1,250
Option 2	\$15,000	\$1,600
Option 3	\$15,000	\$2,500
Option 4	\$15,000	\$5,000
Option 5	\$20,000	\$7,500
Premier 1	\$25,000	\$10,000
Premier 2* *vehicles over \$200,000 only	\$25,000	\$10,000

## Your cover explained

### Benefits - Base Cover

In the event of a Total Loss Payout under your Comprehensive Motor Vehicle Insurance policy and payment of the amount of the Total Loss Payout has been made to the Financier by your Comprehensive Motor Insurer, Chartis will pay to the Financier the shortfall (Gap) between the Total Loss Payout and the Outstanding Balance due under your Finance Contract (subject to the maximum amount payable as outlined above and the exclusions listed below under “What we will not pay”).

### Additional Benefit

In the event of a Total Loss Payout by your Comprehensive Motor Insurer and a payment by Chartis for any shortfall (Gap) between the Total Loss Payout and the Outstanding Balance due under your Finance Contract, Chartis will pay you Additional Benefits for the Cover Option selected. These benefits are:

- Any excess paid by you under your Comprehensive Motor Vehicle Insurance. (The vehicle must be deemed a Total Loss by your Comprehensive Motor Insurer.)
- “On Road” costs payable in relation to the purchase of a replacement vehicle.
- First years premium of the Comprehensive Motor Vehicle Insurance policy for the replacement vehicle.
- Up to 10 days car hire up to a maximum of \$70 per day. (Proof of hire car costs must be supplied.)
- Private expenses directly incurred as a result of a Total Loss accident of the Motor Vehicle including but limited to additional travelling expenses, overnight accommodation, meals and phone calls that would not have been incurred if it were not for the Total Loss accident.

Additional benefits will be paid by Chartis to you upon receipt from you of any of the following which Chartis require:

- The relevant receipts and / or invoices relating to the Additional Benefit claimed.
- Your confirmation or declaration that Additional Benefits will not be used in any way to repay any Outstanding Balance due on the Finance Contract to the Financier

## No Gap Benefit

In the event of a Total Loss Payout by your Comprehensive Motor Insurer, and the Total Loss Payout figure is equal to, or greater than the Outstanding Balance due to your vehicle Financier (ie: there is No Financial Gap), Chartis will pay the Additional Benefits consistent with the Cover Option chosen by you, as set out on page 15 under "Limit on amount we pay". This payment is called a No Gap Benefit payment.

The No Gap Benefits are the same as the Additional Benefits outlined above

No Gap Benefits will be paid by Chartis to you upon receipt from you of any of the following documentation which Chartis require:

- Written confirmation from your Comprehensive Insurer that they have made a Total Loss Payout to your Financier and the amount paid.
- The relevant receipts and / or invoices relating to the No Gap Benefit claimed.
- Your confirmation or declaration that No Gap Benefits will not be used in any way to repay any Outstanding Balance due on the Finance Contract to the Financier

## What we will not pay

In calculating the amount Chartis pays to the Financier, the following amounts will not be included:

- The amount of that increased liability where there has been an amendment in the payment and/or duration of the contract and/or interest rate to your Finance Contract.
- Any outstanding Financed insurance premiums, including but not limited to Comprehensive Motor Vehicle Insurance, Consumer Credit Insurance (CCI), Finance GAP Insurance or Vehicle Registration Costs.
- Any arrears, deferred payments, overdue or outstanding interest payments or late charges owed to the Financier at the time your Motor Vehicle becomes a Total Loss.
- Any liability for you to pay the Goods and Services Tax unless you are not a registered entity within the meaning of the Goods and Services Tax Act 1999.
- Chartis will make no payment if your Comprehensive Motor Insurer does not payout the full Market Value (on a Market Value insurance policy) or the full Agreed Value (on an Agreed Value insurance policy) following a Total Loss for any reason whatsoever.
- Any claim arising from contamination by chemical and/or biological agents which results from an act of Terrorism.
- Chartis will not pay more than one claim on this policy.

## Making a claim

Please refer to “What to do in the event of a claim: on page 6 of the PDS.

## Cancelling a policy

You may cancel this policy at any time by telling us in writing. The cancellation is effective from the day we receive your written request.

The refund will be calculated on a pro rata basis less an administration fee of \$30. If the premium was financed then the refund will be forwarded to your Financier (or whoever the Financier directs us to pay).

We may cancel this policy, by telling you in writing in accordance with the Insurance Contracts Act 1984.

## Changes in circumstances

You must inform us immediately if:

- You change your name or contact details; or
- You vary the Finance Contract in any way

## When the policy ends

The policy ends as soon as one of the following occurs:

- The period of insurance expires
- The policy is cancelled
- The Finance Contract is paid out, discharged, refinanced or terminated
- Your vehicle is no longer covered by a Comprehensive Motor Vehicle Insurance policy
- Payment by Chartis of a claim under this policy
- Five years from the commencement date of the policy



## Mercedes-Benz Insurance

Mercedes-Benz Insurance is a registered business name of Mercedes-Benz Financial Services Australia Pty Ltd ABN 73 074 134 517, AFS Licence No. 247271 (MBFSAu). Before purchasing any insurance products please refer to the Product Disclosure Statement and Policy Wording booklet for full terms and conditions. This insurance is provided on behalf of Chartis Australia Insurance Limited (Chartis) ABN 93 004 727 753, AFSL Licence No. 381686. In arranging this insurance MBFSAu are appointed under a binder by Chartis and deal on Chartis' behalf in relation to this product. All insurance products offered by MBFSAu may be subject to conditions. You should contact your authorised Mercedes-Benz dealer for further details.