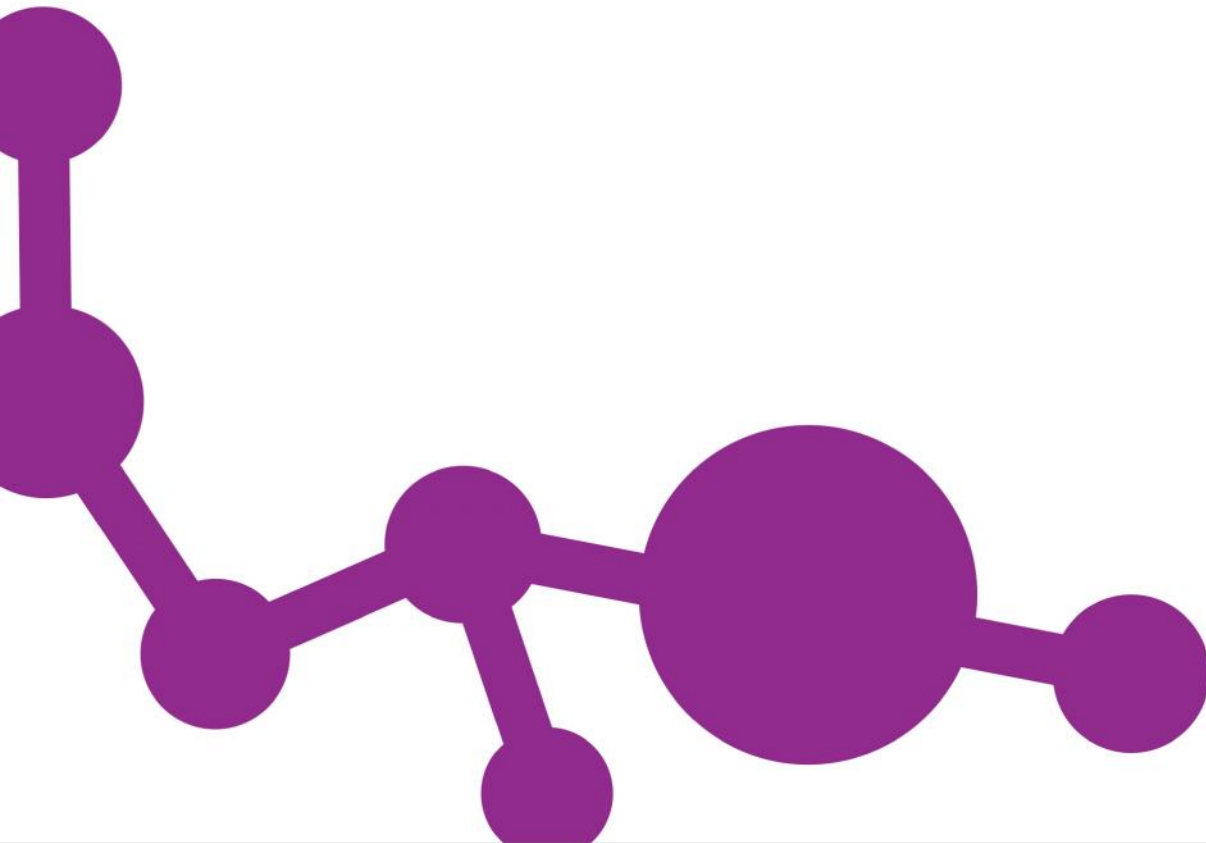




COMBINED PRODUCT DISCLOSURE STATEMENT AND
FINANCIAL SERVICES GUIDE

Loan Termination Insurance



Introduction

It is important that before You purchase this insurance You take the time to read and understand this Combined Product Disclosure Statement (PDS) and Financial Services Guide (FSG) in its entirety, as it contains important information as required under the financial service provisions of the Corporations Act 2001 including information about the extent of the cover and its limitations.

If You do not understand any part of this document, please contact Us and We will be happy to explain any matter for You.

PLEASE TAKE THE TIME TO READ THROUGH THIS DOCUMENT CAREFULLY AND RETAIN FOR YOUR RECORDS.

Please note that if the finance contract is not regulated by the National Consumer Credit Protection Act 2009 (Cth) (NCCP), then nothing contained in this document can or should be read as implying that the finance contract is regulated by the NCCP.

Preparation date 1st Oct 2016. V011016 SWN

This product is issued by the insurer Eric Insurance Limited.

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Part B Financial Services Guide

Part A:

Product Disclosure Statement

WHAT IS A PRODUCT DISCLOSURE STATEMENT (PDS)?

This PDS is designed to assist You in understanding this insurance You are considering so You can make an informed choice about whether You should purchase it.

We may need to update this PDS from time to time if certain changes occur where required and permitted by law. If this happens, We will 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 contacting Us using Our details below).

Other documents may form part of this PDS and the Policy. If they do, We will tell You in the relevant document.

Some words or expressions have special meaning. They begin with capital letters and their meaning is explained in the Definitions and Interpretation section of this PDS.

WHO IS THE INSURER?

Eric Insurance Limited (Eric) ABN 18 009 129 793 AFSL 238 279, the issuer and underwriter of this insurance product, is an Australian owned insurance company which is authorised by the Australian Prudential Regulation Authority (APRA) to carry on general insurance business in Australia under the Insurance Act 1973 (Cth) and holds an Australian Financial Services Licence issued by Australian Securities and Investments Commission (ASIC).

If You need to contact Eric please do so through any of the options listed in the company details below:

PO Box 9106, Scoresby VIC 3179
Telephone: 1800 999 977
Web: www.ericinsurance.com.au
Email: info@ericinsurance.com.au



OUR CONTRACT WITH YOU

Where We agree to enter into a Policy with You, following payment or Your agreement to pay the Premium, it is a contract of insurance between Us and You (see definition of "You" for details of who is covered by this term).

The Policy sets out the cover which We are able to provide You. You need to decide if the limits, type and level of cover are appropriate for You and will cover Your potential loss. If they are not, You may be underinsured and You may have to bear that part of any loss for which You are not covered.

The Policy consists of:

- J This document which sets out the standard terms and conditions of Your relevant cover, including its limitations and exclusions;
- J The Policy Schedule issued by Us. The Policy Schedule is a separate document, which shows certain insurance details relevant to You. It may include additional terms, conditions and exclusions relevant to You that amend the standard terms of this document. If the Policy is varied during the Period of Insurance We will send You an updated Policy Schedule taking into account the variations; and
- J Any other change to the terms of the Policy otherwise advised by Us in writing (such as an Endorsement or Supplementary PDS) which may vary or modify the above documents.

These are all important documents and should be carefully read together as if they were one document to ensure that You are satisfied with the cover. All Policy documentation should be kept in a safe place for future reference. We reserve the right to change the terms of the Policy where permitted to do so by law.

YOUR DUTY OF DISCLOSURE

Before You enter into an insurance contract, You have a duty of disclosure under the [Insurance Contracts Act 1984](#).

If We ask You questions that are relevant to Our decision to insure You and on what terms, You must tell Us anything that You know and that a reasonable person in the circumstances would include in answering the questions.

You have this duty until We agree to insure You.

If You do not tell Us something

If You do not tell Us anything You are required to tell Us, We may cancel Your contract or reduce the amount We will pay You if You make a claim, or both.

If Your failure to tell Us is fraudulent, We may refuse to pay a claim and treat the contract as if it never existed.

ONGOING DISCLOSURE

Cover provided by Your Policy may be affected if Your job or the nature of Your employment changes. You should refer to the Eligibility Criteria section of the PDS for further details. You are required to inform Us if Your circumstances change.

ELIGIBILITY CRITERIA

You are only eligible for cover under the Policy if You meet the following eligibility criteria at time of inception and throughout the Period of Insurance:

You must:

- J Be at least 18 years of age at the commencement of the Period of Insurance;
- J Be under the age of 65. Cover under the Policy will cease when You reach the age of 65;
- J Be employed in Permanent Gainful Employment for at least twenty (20) hours per week; or
- J Be employed in Casual Employment for at least twenty (20) hours per week and have been with the same employer for at least the past twelve (12) months;
- J Not be employed in a seasonal or Intermittent position;
- J Not be employed in a contracted position of less than the term of the finance contract;
- J Meet any other eligibility criteria We set from time to time. We will tell You what these are when You apply.

SIGNIFICANT RISKS

Some of the risks associated with taking out a Policy include that:

- J The Policy may not suit Your needs;
- J The cover level may be insufficient; and
- J A benefit may not be paid because of one of the listed exclusions (please refer to 'Exclusions' section of this document).

It is important that You ensure that the Policy meets Your needs both now and in the future. You may wish to seek assistance from a financial adviser if You are not sure about whether this product suits Your personal circumstances.

This Policy provides cover for multiple events. Depending on Your circumstances it is possible that You will not be eligible for cover under all listed events. You should carefully read this PDS to see what parts of the cover are relevant to You.

Cover under this Policy only relates to the individuals named in the Policy Schedule.



WHAT IS LOAN TERMINATION INSURANCE ?

It is important that You read this information and the PDS carefully so You may understand the extent of cover provided and its limitations.

Please note that this is a limited summary only and not a full description of the covers. Each cover noted is subject to terms, conditions, exclusions and limitations that are not listed in the summary. You need to read the full terms, conditions and exclusions of the Policy which specifies the options taken for a full explanation of the cover.

THE PURPOSE OF LOAN TERMINATION INSURANCE

This Loan Termination Insurance is a form of Consumer Credit Insurance (CCI) that is designed to assist You with the Shortfall amount owing to the Financier of Your Finance Contract should a covered event occur during the Period of Insurance as a consequence of which You wish to Hand Back Your Vehicle to the Dealer.

We pay all benefit payments directly to the Financier You have Your Finance Contract with.

The extent to which this Loan Termination Insurance responds is based on Your liability under Your Finance Contract (subject to the application of certain Policy benefit limits and exclusions as specified in the Policy).

CHOOSING THE LEVEL OF COVER

Within the Policy there are 3 levels of cover available.

If You choose to purchase this insurance, the level of cover applicable to You will be shown on the Policy Schedule.

TABLE OF BENEFIT LIMITS

Cover Level	Cover Benefit Limit	Maximum Policy Term
Level 1	We will pay up to \$30,000 for all claims under the Policy (including payments made under the Additional Monthly Payment option)	The lesser of the term of Your Finance Contract or 84 months
Level 2	We will pay up to \$20,000 for all claims under the Policy (including payments made under the Additional Monthly Payment option)	The lesser of the term of Your Finance Contract or 84 months
Level 3	We will pay up to \$10,000 for all claims under the Policy (including payments made under the Additional Monthly Payment option)	The lesser of the term of Your Finance Contract or 84 months

TRUTHFUL STATEMENTS

You are required to be truthful when supplying information in Your application for this Loan Termination Insurance Policy. See Your "Duty of Disclosure".

NO OBLIGATION TO PURCHASE

This Policy is not compulsory and it is not a condition of Your Finance Contract that You must have this insurance. If You apply for, or obtain a Policy, You are not obliged to buy the Policy. If You do choose to take out this insurance Policy, You may do so with another insurer on terms that are the same or different to the terms of the Policy.

COMMISSION

Eric's authorised representatives receive a commission for arranging this Loan Termination Insurance and do so on Eric's behalf and not Yours. The commission payable to Eric's authorised representatives is calculated as a percentage of the Premium You pay, excluding Stamp Duty and government charges. For more information on the commission Eric's authorised representatives receive refer to the FSG (Part B of this document).

HAND BACK COVER

If You encounter or suffer from one of the following events during the Period of Insurance:

-] Trauma;
-] Disability;
-] Driving Restrictive Medical Condition;
-] Involuntary Unemployment;
-] International Job Transfer; or
-] Bankruptcy (for the self-employed);

and as a consequence of the occurrence of the event You wish to Hand Back Your Vehicle to the Dealer, (and there is a Shortfall), then subject to the terms and conditions of the Policy Eric will pay the Shortfall amount (up to the benefit limit of the level of cover selected by You as set out on the following page) to the Financier on Your behalf.

We will not make a payment under this Hand Back Cover if:

-] Your Monthly Repayments are in arrears at the time of the event giving rise to a claim; or
-] You have made less than 2 Monthly Repayments since the commencement of the Finance Contract.

We will reduce the amount payable under this benefit by the amount of any previous claims settled under the Additional Monthly Payment Option.

ACCIDENTAL DEATH COVER

As part of Hand Back Cover, You are also covered for Accidental Death. The Accidental Death Cover is only for a Period of twelve (12) months from Policy commencement date. Subject to the terms and conditions of the Policy, We will pay the Payout Figure (up to the benefit limit) to the Financier on Your behalf. In the event a claim is paid for Accidental Death, Your Vehicle does not need to be handed back to the Dealer.

Other exclusions of cover may apply to this benefit. Please see the Cover Limitations, Eligibility Criteria, and Exclusions sections.

BENEFIT LIMITS FOR HAND BACK COVER

Event	Level 1	Level 2	Level 3
Trauma	We will pay the lesser of the Shortfall due and \$30,000	We will pay the lesser of the Shortfall due and \$20,000	We will pay the lesser of the Shortfall due and \$10,000
Disability	We will pay the lesser of the Shortfall due and \$30,000	We will pay the lesser of the Shortfall due and \$20,000	We will pay the lesser of the Shortfall due and \$10,000
Driving Restrictive Medical Condition	We will pay the lesser of the Shortfall due and \$30,000	We will pay the lesser of the Shortfall due and \$20,000	We will pay the lesser of the Shortfall due and \$10,000
Involuntary Unemployment	We will pay the lesser of the Shortfall due and \$30,000	We will pay the lesser of the Shortfall due and \$20,000	We will pay the lesser of the Shortfall due and \$10,000
International Job Transfer	We will pay the lesser of the Shortfall due and \$30,000	We will pay the lesser of the Shortfall due and \$20,000	We will pay the lesser of the Shortfall due and \$10,000
Bankruptcy (for the self-employed)	We will pay the lesser of the Shortfall due and \$30,000	We will pay the lesser of the Shortfall due and \$20,000	We will pay the lesser of the Shortfall due and \$10,000
Accidental Death	We will pay the lesser of the Payout Figure and \$30,000	We will pay the lesser of the Payout Figure and \$20,000	We will pay the lesser of the Payout Figure and \$10,000

ADDITIONAL MONTHLY PAYMENT OPTION

If one of the events listed in the following table occurs during the Period of Insurance We will make one lump sum payment equal to 3 Monthly Repayments to Your Financier. This payment will only be made after the completion of the applicable Non-Benefit Period.

We will only pay Monthly Repayments if:

- ⌋ Your Monthly Repayments are not in arrears at the time of the event giving rise to a claim; and
- ⌋ You have made 2 or more Monthly Repayments since the commencement of the Finance Contract.

If the event continues, or if a further event occurs We will make up to 3 additional payments each equal to 3 Monthly Repayments to Your Financier (subject to level of cover).

We will only pay further Additional Monthly Payment Option payments if:

- ⌋ You continue to be Involuntary Unemployed or Disabled; and
- ⌋ Your Monthly Repayments are not in arrears.

Other exclusions of cover may apply to this benefit. Please see the Cover Limitations, Eligibility Criteria and Exclusions sections.

ADDITIONAL MONTHLY PAYMENT OPTION BENEFIT LIMITS

Event	Level 1	Level 2	Level 3
If You suffer a Disability during the Period of Insurance	We will pay the lesser of 12 Monthly Repayments or \$30,000 A 60 day Non-Benefit Period applies	We will pay the lesser of 9 Monthly Repayments or \$20,000 A 60 day Non-Benefit Period applies	We will pay the lesser of 3 Monthly Repayments or \$10,000 A 60 day Non-Benefit Period applies
If You suffer Involuntary Unemployment during the Period of Insurance	We will pay the lesser of 12 Monthly Repayments or \$30,000	We will pay the lesser of 9 Monthly Repayments or \$20,000	We will pay the lesser of 3 Monthly Repayments or \$10,000

Subject to the level of cover You have selected, We will pay up to a maximum of either 3, 9 or 12 Monthly Repayments or the Cover Benefit Limit for:

- ⌋ Any and all Disabilities suffered; and
- ⌋ Any and all occurrences of Involuntary Unemployment You suffer,

during the Period of Insurance.

CLAIM EXAMPLES

Example 1

You have Level 1 Cover and You suffer from a Disability during the Period of Insurance. You have been advised that You will be unable to work for approximately 365 days. You can elect to Hand Back the Vehicle after You have been disabled for 60 days or You can elect to claim for payment under the Additional Monthly Payment Option for the period You are Disabled in excess of 60 days, up to a maximum of 12 Monthly Repayments or \$30,000, whichever is the lesser. You decide to use the Additional Monthly Payment Option. Each Monthly Repayment is \$1,000. Eric pays to the Financier \$3,000 as a lump sum payment covering 3 Monthly Repayments. After the 3 month period covered by this payment has elapsed You continue to remain unable to work. At this point instead of continuing with the Additional Monthly Payment Option, You elect to Hand back Your Vehicle to the Dealer. The value of the Vehicle as reasonably determined by Us is \$22,000* and the Payout Figure is \$35,000 (as at the completion of the period covered by the latest Additional Monthly Payment Option payment). You have a Shortfall of \$13,000. We will pay the Financier \$13,000 being the lesser of the Shortfall and Level 1 Cover of \$30,000.

Example 2

You have Level 2 Cover and You suffer from a Trauma during the Period of Insurance. One year earlier You made a claim on the Policy under the Additional Monthly Payments Option as You broke Your leg and were Disabled. Each Monthly Repayment was \$1,000 and You were away from work for less than 3 months following the completion of the Non-Benefit Period (\$3,000 in total was paid to Your Financier). As a result of the Trauma You elect to Hand Back the Vehicle to the Dealer. The value of the Vehicle as reasonably determined by Us is \$22,000* and the Payout Figure is \$40,000. You have a Shortfall of \$18,000. We will pay the Financier \$17,000 being the lesser of the Shortfall and Level 2 Cover of \$20,000 less the \$3,000 Additional Monthly Payment Option claim made one year ago.

*Vehicle value is determined in accordance with the mid point between retail and trade value of the current edition of the Glasses Guide Auto Edge, for a Vehicle which is the equivalent age, make, condition and model as Your Vehicle.

TAXATION

Premiums are generally not tax deductible. Payments made due to Disability or Involuntary Unemployment may be taxable. Other payments to individuals should generally not be taxable.

GST applies to the Premiums except to the extent that the Premium relates to the Accidental Death component of the cover. This charge is included in the premium rate quoted.

If tax laws are altered, Eric reserves the right to increase Premiums or charges to reflect any new or increased taxes. This information is based on Eric's interpretation of the present taxation rules. You should seek advice from a suitably qualified professional in relation to Your particular circumstances.

COVER LIMITATIONS

You should be aware of the following limitations associated with the Policy:

In order to understand when the Policy will cover Your Shortfall amount and when it will not, You should carefully read the Exclusions relating to the cover in this document.

Benefits payable under the Policy are subject to benefit limits set out in the Policy. The maximum amounts We will pay for the cover level You have chosen are set out in this document.

No cover is provided for any Disability arising directly or indirectly from or in any way connected with a sickness contracted or an injury suffered within 30 days of the commencement of the Period of Insurance.

Involuntary Unemployment Cover does not apply where Your Contract of Employment expires or is not renewed.

Claims under Disability cover are subject to a 60 day Non-Benefit Period.

EXCLUSIONS

The following exclusions are applicable to all levels of cover offered in this Policy. Our liability to pay a claim under the Policy is excluded in the following circumstances :

We will not pay any benefit under the Policy if:

- ⌋ You fail to meet the eligibility criteria at the time of the event leading to Your claim;
- ⌋ The Vehicle is used, or has been used as a Vehicle for rent or hire;
- ⌋ The Motor Vehicle has a carry capacity that exceeds two tonnes;
- ⌋ You are under 18 or after You reach 65 years of age during the Period of Insurance; or
- ⌋ You are claiming more than one type of cover at any one time.

We will not pay a benefit for an event caused by or arising directly or indirectly or in any way connected with:

- ⌋ You taking part in any criminal activities;
- ⌋ You taking part in motor racing or horse racing;
- ⌋ You engaging in a professional sporting activity as Your sole profession;
- ⌋ Use or contact with nuclear materials of any kind, weapons or waste, ionising radiation or asbestos;
- ⌋ Aerial activity, except as a passenger in a fixed wing aircraft owned and operated by a licensed airline;
- ⌋ Your suicide, attempted suicide or any deliberate or self-inflicted injury or illness;
- ⌋ Any Pre-existing Medical Condition;
- ⌋ Pregnancy, IVF, abortion or childbirth or complications thereof;
- ⌋ You not following the advice of a Medical Practitioner for Your rehabilitation;
- ⌋ Acquired Immune Deficiency Syndrome (AIDS);
- ⌋ Human Immune Deficiency Virus (HIV);
- ⌋ A World Health Organisation declared Pandemic;
- ⌋ An addiction to or being under the influence of alcohol or a drug other than a drug taken under the advice of a Medical Practitioner;
- ⌋ War, riot, civil commotion, strike, lockout or an act of terrorism; or
- ⌋ Avian influenza.

EXCLUSIONS Continued

The following amounts will not be included in any claim for a Shortfall:

-)] Any arrears or deferred payments owed under the Finance Contract;
-)] Any early discharge penalty payment or additional interest owed under the Finance Contract;
-)] Any amounts of rebates for insurance or warranty contracts financed under the Finance Contract;
-)] Any amount of any increased liability where there has been a variation to Your Finance Contract which has not been notified to Us, and confirmed in writing by Us as being covered by the Policy; and
-)] Any GST liability unless You are not a registered entity within the meaning of the new tax system (Goods and Services Tax) Act 1999 (Cth).

We will not pay any benefit under the Hand Back Cover of the Policy if:

-)] For any reason whatsoever You have not handed back Your Vehicle to the Dealer;
-)] Upon Hand Back of the Vehicle there is no Shortfall amount payable on Your Finance Contract;
-)] The reason that You Hand Back the Vehicle is not related to one of the covered events noted in the Hand Back Cover section;
-)] The covered event does not occur during the Period of Insurance; or
-)] Your Vehicle has any existing damage or mechanical faults at the time of Hand Back.

We will not pay any amount payable by an insurer or a third party in relation to damage to the Vehicle incurred prior to the Hand Back.

We will not pay a benefit for Disability or Involuntary Unemployment caused by or arising directly or indirectly or in any way connected with:

-)] Backache, unless a Medical Practitioner provides medical evidence showing definite symptoms of restriction of movement;
-)] A sickness or injury which occurred within 30 days of the commencement of the Period of Insurance;
-)] You becoming voluntarily unemployed or Involuntarily Unemployed due to Your actions including but not limited to deliberate misbehaviour, dishonesty, You being deemed unsuitable for the role, poor work performance or failure to meet any work related targets (e.g. sales targets);
-)] Termination of Your employment during or at completion of Your initial probation period;
-)] Your contract of employment is not renewed or expires;
-)] You accepting voluntary redundancy;
-)] You become unemployed due to the Intermittent nature of Your work or the completion of a project or specified work for which You were employed or the completion of a contract for a specified time;
-)] You being offered employment but elect not to take it; or

Your ineligibility to register with the relevant government agency (e.g. Centrelink) for any reason.

This Policy does not cover non-financial loss or consequential financial loss.

Consequential financial loss is indirect loss which accompanies insured loss including but not limited to legal costs or investigation costs.

Non-financial loss is loss, including but not limited to distress, inconvenience, pain and suffering and/or damage to reputation.

HOW TO MAKE A CLAIM:

If You need to make a claim, please contact Us on 1800 999 977 as soon as possible.

You will need to fully complete and sign the claim form, provide Us with any information We ask from You and return the form to Us.

All certificates and evidence required by Us shall be furnished by You at Your expense in the form and of the nature prescribed by Us. No benefits under the Policy are payable until evidence satisfactory to Us is received.

Where We do not agree with the opinion or diagnosis of a Medical Practitioner engaged by You, We may require You to submit to a further medical examination by a Medical Practitioner engaged by Us at Our expense.

Payments or refunds under the Policy will be paid to the Financier who has funded the Premium. Our obligation to You will be satisfied to the extent of any such payment.

All calculations are made using the date you became eligible to claim under the Policy. I.e: for a Disability this would be 60 days from the day You were certified as unable to work.

CANCELLATION

CANCELLATION BY YOU

If You wish to cancel the Policy, You may do so at any time by providing Us with notice by phone, email or by mail.

We will refund to You the portion of the Premium that You have paid to Us that is attributable to the unexpired Period of Insurance remaining under the Policy. We will calculate the amount of Your refund using the formula as set out under the National Consumer Credit Protection Act 2009 (NCCP).

The refund calculation takes into account the total Premium paid, term of the Policy and unexpired portion of the Period of Insurance.

Cancellation by You will be effective by 4pm AEST on the day We receive Your cancellation notice or the date specified in Your cancellation notice (whichever occurs last).

CANCELLATION BY US

We may cancel or avoid the Policy for any reason permitted under law. For example We may cancel or avoid the Policy if You:

-)] Made a misrepresentation to Us before entering into the Policy;
-)] Fail to comply with the duty of disclosure or the duty of utmost good faith;
-)] Fail to comply with a provision of the Policy (including the obligation to pay the Premium on time); or
-)] Make a fraudulent claim under the Policy or any other insurance Policy.

Unless otherwise provided for in the Policy, if We cancel or avoid the Policy, We will give written notice to You personally, to Your agent or by post to Your last known address. Such notice will be effective from 4pm AEST on the seventh day after the day it is given to You, unless it specifies a later date. You may be entitled to a pro rata refund of the Premium for the remaining Period of Insurance, which is calculated as stated in Cancellation by You section above.

Where the Premium has been financed, You authorise Us to pay any refund direct to the Financier unless the Financier otherwise authorises the refund to be paid direct to You.



TERMINATION

This Policy will terminate on the happening of any of the following events:

-] The expiration of the Period of Insurance;
-] The cancellation of the Policy;
-] The payout of the Finance Contract;
-] If You reach the age of 65 years;
-] If You no longer reside permanently in Australia; or
-] If the maximum aggregate benefit limit under the Policy is reached, in which case no Premium refund will be payable.

If You have financed this product and You pay out the Finance Contract prior to the scheduled completion date, You should contact Us to cancel this Policy as You will not receive any further benefit under the terms and conditions of this Policy. Please refer to the Cancellation section for further details.

COST OF THE POLICY

A number of factors are taken into account in setting Our Premiums and these include the term of the Finance Contract, the types of covers selected and the amount borrowed. All of these factors impact on the amount of Premium charged for the Policy. If You purchase this Insurance from Us, the Premium includes an amount to take into account Our obligation to pay any compulsory Government charges including Stamp Duty and GST where applicable.

Before We can give You any insurance cover, the Premium for the Policy must be paid either by You or by including the Premium in the Finance Contract under which the Financier agrees to make the payment to Us.

PRIVACY

Personal information is essentially information or an opinion about an identified individual or an individual who is reasonably identifiable, whether the information or opinion is true or not and whether recorded in a material form or not. See the Privacy Act for full details. You can choose not to provide Us with some of the details or all of Your personal information, but this may affect Our ability to provide You with Our services or products or properly manage and administer services and products provided to You or others.

We, and Our agents, need to collect, use and disclose Your personal information in order to consider Your application for the Policy, provide the cover You have chosen, calculate or offer discounts to You, administer the Policy, assess, investigate, handle and settle any claim, communicate with You both by mail and electronically about Your Policy, make special offers of other services and products provided by Us or those we have an association with, that might be of interest to You and conduct product and service research, data analysis and business strategy development.

For these purposes, We can collect Your personal information from and/or disclose it on a confidential basis to, Our related entities, Our distributors and other agents or contractors, other insurers (including reinsurers), insurance reference bureaux, law enforcement agencies, investigators, lawyers, accounting and other professional advisers, Your agents, actuaries, translators, loss assessors and adjusters, financiers, credit agencies, and other parties We may be able to claim or recover against, anyone either of Us appoint to review and handle complaints or disputes, and any other parties where permitted or required by law. Your Personal information may also be disclosed to entities related to Us, reinsurers, cloud service providers, which may be located in Australia or Overseas. The countries where Your information may be disclosed include but are not limited to the United States of America, China, New Zealand or other countries where We or Our distributors have a presence.

We prohibit the above entities from using Your personal information for purposes other than those We supplied it for. The disclosure of your personal information may only be used for administration of systems in addition to the purposes listed above. We regularly monitor and audit the security of Your information in accordance with current information security standards.

We collect personal information directly from You unless You have consented to collection from someone other than You, it is unreasonable or impracticable for Us to do so or the law permits Us to. Where You provide personal information to Us about another person, You must be authorised to provide that information to Us and inform that person of this Privacy Notice including who We are, how We use and disclose their information, and how they can gain access to that information. By providing Us with personal information you and any other person You provide personal information for, consent to this use and these disclosures unless You tell Us otherwise. If You wish to withdraw Your consent, including for things such as receiving information on products and offers by Us or persons We have an association with, please contact Us.

Our Privacy policy provides details on how You can access Your personal information and seek correction of it. If You would wish to lodge a complaint with Us about a potential breach of Your privacy You may do so as outlined in Our Privacy policy and in the Dispute Resolution section of this PDS. Please contact us if You would like a copy of Our Privacy policy. The Privacy policy is also available on Our website www.ericinsurance.com.au.

COOLING OFF PERIOD

You have the right to cancel the Policy within 21 days of the date that it was issued or sold to You ("cooling off period").

If You cancel the Policy during the cooling off period, We will refund the Premium unless you have made a claim. The Policy will be terminated from 4pm AEST on the date We are notified of Your request.

To cancel the Policy, You must notify Us within the cooling off period. You can do this by contacting Us by phone, email or by mail.

After the cooling off period has ended, You still have cancellation rights (refer to "Cancellation" section for full details).

DISPUTE RESOLUTION

We have an internal procedure for Dispute Resolution so that if at any time Our products or services have not satisfied Your expectations You can contact Us. If You have a complaint, please give Us every opportunity to try to resolve Your complaint.

Step 1 Contact the Operations Manager

If You are not satisfied with Our initial response Your complaint will be referred for review by the Operations Manager who would respond to You within 15 business days.

Step 2 Contact our Compliance Manager

If the complaint is still not resolved to Your satisfaction, You can ask the Compliance Manager to refer Your dispute to Our Internal Dispute Resolution (IDR) Committee for review. The IDR Committee members are independent and have the authority to review the decision. The IDR Committee will inform You of the final decision within 15 business days.



DISPUTE RESOLUTION Continued

A dispute can be referred to the Financial Ombudsman Service (FOS) subject to its terms of reference. It provides a free and independent dispute resolution service for consumers who have general insurance disputes falling within its terms and its contact details are:

The Financial Ombudsman Service
Local call: 1800 367 287
Post: GPO Box 3, Melbourne, Victoria 3001
Website: www.fos.org.au

CODE OF PRACTICE

The Insurance Council of Australia (ICA) has developed a voluntary General Insurance Code of Practice (the Code) to which We are a signatory. This Code aims to raise the standards of practice and service within the general insurance industry.

The objectives of this Code are:

- J To commit Us to high standards of service;
- J To promote better, more informed relations between Us and You;
- J To maintain and promote trust and confidence in the general insurance industry;
- J To provide fair and effective mechanisms for the resolution of complaints and disputes between Us and You; and
- J To promote continuous improvement of the general insurance industry through education and training.

To obtain a copy of the Code visit www.codeofpractice.com.au or call (02) 9253 5100.

COMPENSATION ARRANGEMENTS AND FINANCIAL CLAIMS SCHEME

Eric is an insurance company authorised under the Insurance Act 1973 (Cth) (Insurance Act) to carry on general insurance business in Australia by the Australian Prudential Regulation Authority (APRA) and are subject to the prudential requirements of the Insurance Act. The Insurance Act is designed to ensure that, under all reasonable circumstances, financial promises made by Us are met within a stable, efficient and competitive financial system.

Because of this We are exempt from the requirements to meet the compensation arrangements Australian Financial Services Licensees must have in place to compensate retail clients for loss or damage suffered because of breaches by the licensee or its representatives of Chapter 7 of the Corporations Act. We have compensation arrangements in place that are in accordance with the Insurance Act.

In the unlikely event that We were to become insolvent and could not meet Our obligations under the Policy, a person entitled to claim under the Policy may be entitled to payment under the Financial Claims Scheme. Access to the scheme is subject to eligibility criteria. Please refer to www.apra.gov.au or call the APRA Hotline on 1300 55 88 49 for more information.

DEFINITIONS AND INTERPRETATION

Certain words used in this PDS have special meanings. This Definitions section contains such terms. In some cases, certain words may be given a special meaning in a particular section of the Policy when used or in the other documents making up the Policy.

Headings are provided for reference only and do not form part of the Policy for interpretation purposes.

Accident: Means a sudden, unexpected, unusual, specific event, which occurs by chance at an identifiable time and place and is unforeseen or unintended by You. **Accidental** and **Accidentally** shall have a corresponding meaning.

Accidental Death: Means Death caused by an Accident or Injury, but not by any Sickness.

Bankruptcy: Means if a sequestration order has been made against a person's estate or a person has become bankrupt by virtue of the presentation of a debtor's petition.

Cancer: Means the first unequivocal of any internal malignant tumour requiring treatment by surgery, radiotherapy, hormone therapy, or chemotherapy. Included will be any malignant tumour considered to be too advanced or too serious for specific treatment to be warranted. Excluded in this definition are:

- J Tumours treated by endoscopy procedures alone;
- J Tumours classified as carcinoma-in-situ;
- J Tumours of the skin with the exception of malignant melanoma where there is evidence of spread to lymph nodes or distance tissues; and
- J Kaposi's sarcoma and other tumours caused by AIDS.

Casual Employment: You are working for income or wages for a minimum of 20 hours per week and have been with the same employer for at least the last 12 months and You are not employed in a seasonal or temporary nature.

Chronic kidney failure: Means end stage renal disease which requires permanent dialysis or renal transplantation.

Coronary artery by-pass surgery: Means the undergoing of coronary artery by-pass surgery that is considered necessary to treat coronary artery disease causing inadequate myocardial blood supply. Surgery does not include angioplasty, intra-arterial procedures or non-surgical techniques.

Dealer: Means any Licenced Motor Vehicle Trader (LMCT)

Disability and Disabled: Means an injury or sickness (excluding Trauma) that renders You incapable of continuous performance for no less than 60 days (Non-Benefit Period) of the duties of any occupation for which You are reasonably qualified by education, training or experience as certified by a Medical Practitioner.

Driving Restrictive Medical Condition: Means a sickness or injury that disables You from driving Your Vehicle for at least 6 months. This must be certified by a Medical Practitioner.

Endorsement: Means an additional term or condition applied by Us or an alteration requested by You. An Endorsement may be sent as a separate document or may be stated on the Policy Schedule or Renewal Certificate.

Financier: Means the finance company or credit institution that provided the funds for the purchase of the Vehicle, as stated in the Policy Schedule.

Finance Contract: Means the legal agreement with the Financier which describes the terms and conditions under which the funds were provided to You.



DEFINITIONS AND INTERPRETATION Continued

Glasses Guide Value: Means an Australian automotive reference publication which provides valuations for Vehicles in different conditions.

Hand Back: Means where You sell Your Vehicle to the Dealer as a consequence of one of the covered events noted in the Hand Back Cover section in the Policy.

Heart attack: Means a diagnosed acute myocardial infarction that has been documented by the occurrence of chest pain and electro cardiographic evidence and appropriate elevation in cardiac enzymes.

Injury: Means a bodily injury caused solely by an Accident that first occurs during the Period of Insurance and does not include any Sickness.

Intermittent: Means occurring at irregular intervals; not continuous or steady. Including but not limited to, temporary or seasonal employment.

International Job Transfer: Means if as part of Your occupation You are moved, but not at Your own request, for a period of at least 24 consecutive months and Your permanent residence is changed to a country other than Australia, and You did not have any knowledge of the transfer:

-)] Prior to the commencement of the Period of Insurance; or
-)] Within 90 days after the commencement of the Period of Insurance.

Involuntary Unemployment and Involuntarily Unemployed: Means where You become unemployed and remain unemployed as a result of Your employer terminating Your contract of employment where You are able to, and wish to, continue to work. Your unemployment status is required to be certified by the appropriate government agency.

Major organ transplant: Means the medically necessary organ transplant from a human donor to You of one or more of the following complete organs:

-)] Heart
-)] Kidney
-)] Small bowel
-)] The transplant of bone marrow
-)] Liver
-)] Pancreas
-)] Lung

Medical Practitioner: Means a doctor or specialist who is registered or licensed to practice medicine under the laws of the country in which they practice, other than You, a member of Your immediate family or Your employee.

Monthly Repayment: Means Your monthly repayment due to the Financier under the Finance Contract.

Non-benefit Period: Means the period of time during which a benefit will not be paid.

Payout Figure: Means the amount required by the Financier, at the date of Your claim to discharge Your indebtedness under the Finance Contract.

Permanent Gainful Employment: Means You are working on a permanent or continuous basis for income or wages for a minimum of 20 hours every week and You are not in employment of a seasonal, casual, temporary or non renewable contract nature and in the case of Involuntary Unemployment, You are not self-employed.

Period of Insurance: Means the Period of Insurance commences on the inception date and ends on the expiry date, as stated on the Policy Schedule, unless the Policy ends earlier in accordance with its terms.

Policy: Means the insurance contract between Us and You. It consists of this document, the Policy Schedule and any other change to the terms of the Policy otherwise advised by Us in writing (such as Endorsements or Supplementary PDS's We may give You from time to time).

Policy Schedule: Means the relevant schedule We issue including on renewal or variation of the Policy which includes Your details, the Vehicle details, the Policy number together with the details of cover, establishment fee, Premium and other Policy details.

Pre-existing Medical Condition: Means any bodily injury, disease, sickness, illness or other medical condition, including symptoms, treatment or advice or side effect of that treatment or advice, or other condition relating to Your health:

-)] Of which You were aware or a reasonable person in the circumstances would have been aware or could have been expected to be aware, and which was present, continuing, being suffered from or experienced; or
-)] For which You sought or received or for which a reasonable person in the circumstances would have sought or received, medical advice or treatment from a Medical Practitioner or other health professional; or
-)] Any condition for which You have had surgery,

In the 12 month period prior to the commencement of the Period of Insurance.

Premium: Means the amount You pay for the Policy including amounts payable by Us in relation to any compulsory Government charges such as Stamp Duty, GST and Fire Service Levy, if applicable, but excluding any establishment fee.

Sickness: Means any illness, sickness or disease that first manifests itself during the Period of Insurance and does not include any Injury.

For the purposes of this definition a Sickness will first manifest itself on the earlier of:

-)] The date a Medical Practitioner, diagnoses the Sickness or symptoms of the Sickness, whichever is earlier;
-)] The date a Medical Practitioner reasonably considers the symptoms of the Sickness first occurred or manifested;
-)] The date You first became aware of the Sickness or symptoms of the Sickness, whichever is the earlier;
-)] The date a reasonable person in the circumstances would have been aware of the Sickness or symptoms of the Sickness, whichever is the earlier; and
-)] The date You first received medical treatment for the Sickness or symptoms of the Sickness, whichever is the earlier.

Shortfall: Means the difference between the Payout Figure and the greater of, the value of the Vehicle as reasonably determined by Us in accordance with the mid-point between retail and trade value of the current edition of the Glasses Guide Auto Edge, for a Vehicle which is the equivalent age, make, condition and model as Your Vehicle and the price paid by the Dealer following a Hand Back. If We deem it necessary We reserve the right to obtain an independent assessment and valuation report.

Stroke: Means an infarction of brain tissue due to a cerebral-vascular incident and which is associated with evidence of a neurological deficit which creates permanent functional impairment. It does not mean infarction of brain tissue as a result of bodily injury caused by violent, accidental, external and visible means. Excluded in this definition is:

-)] Transient ischaemic attacks, cerebral events due to reversible neurological deficits, migraine, hypoxia or trauma, and vascular disease affecting the eye, optic nerve or vestibular functions.

DEFINITIONS AND INTERPRETATION Continued

Trauma: Means the diagnosis and certification of one of the following trauma events by a Medical Practitioner and agreed to by Us:

-) Cancer;
-) Chronic kidney failure;
-) Coronary artery by pass surgery;
-) Heart attack;
-) Major organ transplant; or
-) Stroke.

Vehicle: Means the Vehicle described in the Policy Schedule, including factory or Dealer fitted equipment or accessories.

We, Us and Our: Means Eric Insurance Limited (Eric) (ABN 18 009 129 793, AFSL 238 279)

You and Your: Means the insured person(s) named in the Policy Schedule.

JURISDICTION AND CHOICE OF LAW

The Policy is governed by and construed in accordance with the law of Victoria Australia and the insured agrees to submit to the exclusive jurisdiction of the courts of Victoria and agrees that it is its intention that this Jurisdiction and Choice of Law clause applies.

FURTHER INFORMATION AND CONFIRMATION OF TRANSACTIONS

If You require further information about this insurance or wish to confirm a transaction, please contact Us.



ericinsurance.com.au
1800 999 977

PO Box 9106
Scoresby Victoria 3179

ABN: 18 009 129 793 AFS Licence No: 238279

Part B FINANCIAL SERVICES GUIDE

About this Financial Services Guide

This Financial Services Guide (FSG) is designed to assist you in deciding whether to use the financial services we provide. It explains the kinds of financial services we offer. It also contains general information about who we are, how we and other persons or organisations are paid in relation to the services and how to make a complaint.

The Product Disclosure Statement (**PDS**) (Part A of this document) contains information on the benefits and significant characteristics of this Eric insurance product and of the rights, terms and conditions attaching to the policy. It is aimed at assisting you to compare insurance products so that you can make an informed choice about whether to acquire the product.

This FSG was prepared on 1st Nov 2016.

Distribution of this FSG has been authorised by Eric.

Your questions	Our Answers
Who is Eric?	<p>Eric Insurance Limited 18 009 129 793 (AFSL 238279) is the APRA and ASIC regulated licensee. Eric is exempt from the need to have ASIC approved professional indemnity insurance, Eric holds adequate professional indemnity insurance. Its contact details are:</p> <p>Address: PO Box 9106 Scoresby, VIC 3179</p> <p>Phone: 1300 489 685</p> <p>Eric is an Australian Financial Services Licensee which is authorised to deal in and provide general advice in relation to general and life insurance (limited to life consumer credit insurance) products.</p> <p>Eric underwrites motor trade related insurances for wholesale and retail clients. Depending on the scope of their authorisation, Eric's authorised representatives can assist you with a wide range of general insurance products.</p>
Who are we?	<p>We are the Authorised Representative of Eric Insurance Limited ABN 18 009 129 793 AFS License No: 238279 (Eric). We are authorised to provide the financial services set out in this FSG and act as Eric's agent. Eric is an APRA regulated licensee.</p>
What remuneration is payable in relation to the financial services we provide?	<p>We receive commission from our licensee. The commission is a percentage of the premium paid by you, less any taxes or government charges and is detailed in this FSG. Commission may also be paid when you renew or vary your insurance. If a policy has been financed, the finance provider may also receive a commission from the licensee which is at no extra cost to you.</p> <p>Where a third party has referred you to us, we may share with them a part of the commission we earn. Any commission we pay to a referrer is at no extra cost to you.</p> <p>We may also charge a fee for our services to you. Any such fee we charge is an additional cost to you and is detailed in this FSG.</p> <p>Later in this FSG it sets out more detailed information regarding our remuneration, including commission, from our licensee and associated business partners. If you require more detailed information on our fees or remuneration, please ask us.</p> <p>Our staff who provide the authorised financial services are paid a salary for their services and may also receive bonuses based on the volume of sales of all financial products over a period. Eric may provide other benefits, such as profit sharing arrangements, business related conferences, study trips or other functions. We (including our directors, staff and subcontractors) may also be eligible to qualify for other benefits such as awards or hospitality events. These are provided to us at no additional cost to you.</p>

General financial product advice

Any financial product advice we may provide to you will be of a general nature only and has not taken your personal needs, objectives or financial situation into account. We therefore recommend that you carefully read the Product Disclosure Statement and Policy documentation provided by Eric and any other information before making your decision.

Authorised financial services

On behalf of Eric and in accordance with the terms of our agreement with them, we are authorised to do the following: Arrange for the application for, acquisition, issue, variation or disposal of the financial products listed in this FSG. There is no binding authority which means that only the product issuer can agree to issue, vary or dispose of these products.

We are authorised to provide general financial product advice (but not personal financial product advice) in relation to the financial products listed in this FSG.

Other remuneration, commission and benefits

In addition to the remuneration noted above, we may also receive additional commission or other benefits from Eric, for example:

-) A volume bonus based on the profit Eric earns from each product,
-) The volume of business we generate,
-) Achievement of agreed sales targets,
-) Market forces within the industry,
-) Other benefits from Eric underwritten products such as materials, services and/or payments to assist in the sale, marketing and promotion of Eric products,
-) Sales and product training for our staff to provide them with the necessary expertise to sell the products,
-) Point of sale marketing materials and financial contributions to cover the cost of advertising, printing and computer equipment, and
-) We may participate in sales incentive schemes, competitions or promotions from time to time or on an ongoing basis.

These factors may vary from time to time and the volume bonus is earned and paid periodically. Our participation in these benefits is at no additional cost to you. In addition to their salary, we may share or pass on a proportion of the commission, volume bonus and sales incentives to our authorised sales staff. Such payments will not exceed the amounts paid to us by Eric.

Emergency Services Levy explained for our customers in New South Wales. From 1 July 2017 you will no longer pay for the Emergency Services Levy as part of your insurance premium. This fee will be replaced by the Emergency Services Property Levy. Eric Insurance will continue to collect the ESL until this date to ensure we meet our obligations to the New South Wales government. Please see www.ericinsurance.com.au/support for more information

Products we are authorised to provide	Commission Payable (% of Premium paid, net of tax and government charges)
Consumer Credit Insurance (CCI)	Up to 20%
Gap Cover Insurance	Up to 65%
Motor Vehicle Insurance	Up to 30%
Extended Warranties Insurance	Up to 65%

What happens if you have a complaint or dispute?	If you have a complaint or dispute about the financial services we provide, please contact us using the contact details above. We will attempt to resolve the issue and we will also refer it to Eric. If we or Eric are unable to resolve your complaint internally you may refer your dispute to the Financial Ombudsman Service which is an ASIC approved independent external dispute resolution service. This service is free of charge.
What compensation arrangements apply?	Please see the Compensation Arrangements and Financial Claims Scheme section of the PDS (Part A of this document) for information on Eric's compensation arrangements.
How is my personal information dealt with?	We are committed to ensuring the privacy and security of your personal information. We adhere to the Privacy terms set out in the "Privacy" section of the PDS (Part A of this document).
Where can you find further information?	If you require further information or would like to give us instructions you can contact us on the number provided on the last page of this document.

Eric Authorised Representative details

SALARY PACKAGING AUSTRALIA
 ABN: 53009643485
 Authorised Representative No: 267933
 Address: PO BOX 1827 , NEW FARM, Queensland 4005
 Phone: 1300786664
 Fax:
 Email: niroop@salpaca.com.au
 Our Office Hours Are: 9.00am to 5.00pm Monday to Friday
 Trading as: SALARY PACKAGING AUSTRALIA