



**YMI**  
YAMAHA MOTOR INSURANCE

## YAMAHA GAP COVER INSURANCE PRODUCT DISCLOSURE STATEMENT

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### ABOUT THIS DOCUMENT

In this document, the insurer, AIG Australia Limited ABN 93 004 727 753 AFSL 381686 ("AIG Australia") acting through their agent, NM Insurance Pty Ltd ABN 34 100 633 038 AFSL 227186 ("NM Insurance"), is referred to as "We", "Us", and "Our".

Throughout this document, words appearing capitalised will have special meanings. These meanings are set out in the Policy section below headed "Definitions".

This Product Disclosure Statement (PDS) was prepared on 8 December 2016 and tells You about Yamaha Motorcycle Insurance to help You decide if the cover is right for You and whether to use Our services.

It also contains:

- information about key benefits and significant features of this insurance;
- important information about your rights and obligations such as the duty of disclosure and cooling off period and complaint procedures; and
- information about the remuneration received by NM Insurance and other entities involved in the distribution of the Yamaha Motorcycle Insurance.

Any advice provided in this document is general only and does not take into account Your individual circumstances. You should carefully read it, and any other documentation We send You such as Your Certificate of Insurance to determine if the cover is appropriate for You. Keep them in a safe place for future reference.

### ABOUT THE INSURER

The underwriter of this insurance is AIG Australia. AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc.

American International Group, Inc. (AIG) is a leading insurance organization serving customers in more than 100 countries and jurisdictions. AIG companies serve commercial, institutional, and individual customers through one of the most extensive worldwide property-casualty networks of any

insurer. In addition AIG companies are leading providers of life insurance and retirement services in the United States. AIG common stock is listed on the New York Stock Exchange and the Tokyo Stock Exchange.

AIG Australia acts through their agent, NM Insurance as set out in "About NM Insurance and its Services".

Our contact details are:

#### For NM Insurance

Level 5, 50 Berry Street  
North Sydney NSW 2060  
Telephone: 1300 780 533  
Facsimilie: 02 8920 1275  
Email: customerservice@nminsurance.com.au

#### For AIG Australia

Level 19, 2 Park Street  
SYDNEY NSW 2000  
Telephone: 1300 030 886  
Facsimilie: 1300 634 940

### ABOUT NM INSURANCE AND ITS SERVICES

NM Insurance has been given a binder authority by the insurer AIG Australia, which allows NM Insurance to enter into this Policy, to administer it and to handle and settle claims made under it within the terms of the binder authority. In doing so NM Insurance acts for the insurer not You. NM Insurance's Australian Financial Services Licence ("AFSL") authorises it to provide these services and is providing these services under its own AFSL. Any general advice provided by NM Insurance in relation to this insurance is authorised and provided under its AFSL on its own behalf.

### ABOUT YAMAHA AND THEIR SERVICE

This document may be provided to You by a Yamaha dealer, Yamaha authorised distributor or Yamaha Motor Finance Australia Pty Ltd (Yamaha Motor Finance) ABN 29 101 928 670, or Yamaha Motor Insurance Pty Ltd (Yamaha Motor Insurance) ACN 603 882 980 of 489-493 Victoria Street Wetherill Park NSW 2164. Yamaha Motor Finance Australia, Yamaha Motor Insurance and its representatives, as well as Your Yamaha dealer have been authorised by NM Insurance as its general insurance distributors to deal in this product. They are not authorised to provide any advice on this insurance. If You have any questions, please contact NM Insurance.

# 1. INTRODUCTION

This PDS and the information We send You about Your cover is designed to be simple and straightforward to make it easy for You to understand what is included in Your cover and what isn't.

This Yamaha Gap Cover Insurance helps to protect You in the event of a Total Loss to Your Motorcycle. It provides cover if You have a shortfall in the amount Your Motorcycle Insurer makes as a Total Loss Payout to Your Financier and the amount You owe the Financier, under the Loan for Your Motorcycle.

Yamaha Gap Cover Insurance pays any Remaining Balance Due under the Loan for Your Motorcycle, up to the Maximum Benefit shown for the Cover Option You select. In addition to this, We also give You an Additional Benefit to help You get back on the road sooner. We pay up to the maximum amount of the Additional Benefit that you choose. If there is no Remaining Balance Due under the Loan because the amount paid by Your Motorcycle Insurer is more than the amount owing on Your Loan, We only pay You \$1500 and no Additional Benefit. If Your Motorcycle Insurer replaces Your Motorcycle with a new motorcycle, We do not make any payment under this Policy but You may elect to continue this Policy for the Replacement Motorcycle.

Terms, conditions, limits and exclusions apply to the cover provided under the Policy. You need to read all of the information provided by Us on this insurance to properly understand the cover provided. By entering into the Policy You agree to do so and be bound by those provisions.

## IS THIS POLICY SUITABLE FOR YOU

When You apply for this insurance, You will need to answer questions that We ask You. We will use and rely on the information supplied by You to decide the terms of cover We will provide.

You need to ensure that the cover You apply for is suitable for Your needs and that the level of cover provided is adequate.

The Policy is more likely to be suitable for people who have a Loan which may not be paid out in full under their Motorcycle Insurance Policy in the event of a Total Loss. It may not be suitable, or is less likely to be suitable, for people with a Loan of an amount that is well below the amount payable under their Motorcycle Insurance Policy in the event of a Total Loss.

In deciding some things to consider include:

- the amount borrowed under Your Loan;
- the amount potentially payable under Motorcycle Insurance Policy in the event of a Total Loss Payout;
- the potential gap between the amount payable under Your Loan and the Total Loss Payout in the event of a Total Loss during the Period of Insurance; and
- how much You can afford to be out of pocket if a Total Loss occurs.

## COOLING OFF PERIOD

If You decide that Your insurance cover doesn't meet Your needs, for whatever reason, and You have not made a claim, You can cancel the Policy within 21 days of the start of Your insurance. You will receive a full refund of any premiums paid (less any taxes or duties We cannot recover).

## SERVICE

We are here to answer any questions You have about Your cover. If You have any questions about this insurance or would like to update or change Your cover, please:

- email: [customerservice@ymiaus.com.au](mailto:customerservice@ymiaus.com.au)
- telephone customer service: 1300 794 454
- write to: NM Insurance Pty Ltd, Level 5, 50 Berry Street North Sydney NSW 2060
- visit: [www.ymiaus.com.au](http://www.ymiaus.com.au)
- call claims: 1300 652 936

## APPLYING FOR COVER

We provide cover to You on the terms contained in this PDS and any other document that We tell You forms part of Your Policy, including the Certificate of Insurance. There are 3 Cover Options available for You to select from under this insurance. You can choose the Cover Option with the Maximum Benefit and Additional Benefit cover combination that is appropriate to Your Loan amount, Motorcycle and the level of protection You need if a claim arises.

Cover Option	Gap Cover – Maximum Benefit	Additional Benefit (maximum benefit)
1	\$15,000	\$2,500
2	\$10,000	\$1,500
3	\$5,000	\$1,000

The Certificate of Insurance will contain important information relevant to Your insurance including the Period of Insurance, Your selected Cover Option, Your premium, details of Your Motorcycle and whether any standard terms have been varied by way of endorsement.

When We agree to enter into a Policy with You, Your Policy with Us is made up of:

- this PDS;
- Your Certificate of Insurance; and
- any other documented correspondence We tell You forms part of Your Policy, including any endorsements issued by Us.

You need to keep these documents in a safe place together with receipts and other evidence of the ownership and purchase price of Your Motorcycle.

## DETERMINING YOUR PREMIUM

When You buy Your insurance We tell You the premium You must pay and note it in Your Certificate of Insurance.

To determine the premium We consider factors such as the Motorcycle(s) You want to insure, the Cover Option you select, the Period of Insurance, the period of the Loan and amount borrowed.

The total cost also includes an administration fee and amounts that take into account Our obligation to pay any relevant compulsory government charges, taxes or levies (e.g. Stamp Duty and GST) for Your insurance. We set these out in Your Certificate of Insurance.

A minimum premium applies for this insurance. The amount of premium We charge will not be less than this amount.

## **2. THINGS YOU SHOULD DO WHEN PURCHASING YAMAHA GAP COVER INSURANCE**

### **UNDERSTAND THIS INSURANCE COVER**

You will only be entitled to the cover provided by this Yamaha Gap Cover Insurance once You have paid the applicable premium and for the Cover Option which is noted on Your Certificate of Insurance.

This insurance is designed to provide cover in relation to the Remaining Balance Due, for Your Motorcycle, on Your Loan in the event of a Total Loss of Your Motorcycle (see page 5).

It also provides an Additional Benefit (see page 5). This Additional Benefit is only payable if during the Period of Insurance, the Financier receives a Total Loss Payout made under Your Motorcycle Insurance Policy and there is a Remaining Balance Due under the Loan for Your Motorcycle.

There are limits to the cover provided and these limits are fixed based on the Cover Option You select (see page 2). There are also exclusions and limitations which apply to all Cover Options under this insurance (see page 5).

Certain words have defined meanings You need to understand (see page 6).

You should read this PDS and all other documents that make up the Policy in full to ensure You understand the cover provided as well as the limits, exclusions and limitations that apply.

See page 10 for claim payment examples.

### **UNDERSTAND YOUR DUTY OF DISCLOSURE**

#### **YOUR DUTY OF DISCLOSURE**

Before You enter into an insurance contract, You have a duty to tell Us anything that You know, or could reasonably be expected to know, may affect Our decision to insure You and on what terms.

You have this duty until We agree to insure You.

You have the same duty before You renew, extend, vary or reinstate an insurance contract.

You do not need to tell Us anything that:

- reduces the risk We insure You for; or
- is common knowledge; or
- We know or should know as an insurer; or
- We waive Your duty to tell us about.

#### **IF YOU DO NOT TELL US SOMETHING**

If You do not tell Us anything You are required to, 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.

### **KEEP PROOF OF OWNERSHIP AND VALUE**

When You make a claim, We will require proof that You owned the Motorcycle and its value or Your claim may not be paid.

The easiest way to do this is by keeping receipts, valuations and other forms of purchase confirmation such as model and serial numbers and copies of Your Loan documentation.

We will also require proof of any Remaining Balance Due to Your Financier, for Your Motorcycle, under Your Loan after Your Motorcycle Insurer has made a Total Loss Payout to them.

### **CHANGES TO YOUR POLICY**

You must tell Us immediately if:

- You intend to vary the Loan for Your Motorcycle in any way;
- the Loan ends earlier than the Period of Insurance shown on Your Certificate of Insurance. Cover under this Policy will also end in this situation. If this occurs, We will refund any premium You have paid, less an amount that covers the period for which You were insured, any government or statutory charges We are not able to recover and a cancellation fee of \$30. If the refund is less than the cancellation fee, no refund will be made.
- Your Motorcycle Insurer replaces Your Motorcycle following a Total Loss and You wish to continue insurance cover on the Replacement Motorcycle. You must provide details of the Replacement Motorcycle to Us.

### **ENSURE THAT YOUR PREMIUMS ARE ALWAYS PAID**

You are responsible for ensuring that Your premium is paid or Your cover could be put at risk. Please call Us if You are ever unsure about Your premium.

### **MEETING YOUR OTHER OBLIGATIONS**

You will need to meet other conditions of the Policy, such as claims conditions, or We may reduce or refuse to pay a claim and/or cancel the Policy to the extent permitted by law.

### **GOODS AND SERVICES TAX (GST)**

If You are registered, or required to be registered, for Goods and Services Tax ("GST") purposes You must provide Us in writing with Your Australian Business Number ("ABN") when requested. You must also advise Us in writing what Your Input Tax Credit ("ITC") entitlement is for the insurance premium either:

- i) on or before entry into, renewal or variation of this policy; or
- ii) if permitted under the GST Law, at any other time at or before You first notify Us of a claim under this policy.

If You have told Us Your ITC entitlement under (i) above and Your ITC entitlement later alters, You must tell Us in writing about that alteration.

If You are registered and You cease to be registered for GST purposes You must tell Us immediately in writing.

### **GST AND CLAIMS**

Any claim payments made under this insurance will be based on GST inclusive costs, up to the relevant Sum Insured, Market Value or Agreed Value or maximum amount that We pay.

However, if You are or would be entitled to claim any input tax credit for the repair or replacement of the insured property or for other things covered, We will reduce any claim under the Policy by the amount of such input tax credit. You must advise Us of Your correct input tax credit percentage where You are registered for GST. You are liable to Us for any GST liability We incur arising from Your incorrect advice or inaction.

## **3. MAKING A CLAIM**

### **WHAT HAPPENS IF YOU NEED TO MAKE A CLAIM?**

We understand that it can be very stressful if You need to make a claim. Our claims team will be there to help You with advice and assistance when You need it most.

### **PROVIDE PROOF OF OWNERSHIP AND REMAINING BALANCE DUE**

In the event of a claim, You must provide adequate proof of value and ownership of Your Motorcycle. We will also require proof of any Remaining Balance Due to Your Financier under Your Loan for Your Motorcycle after Your Motorcycle Insurer has made a Total Loss Payout to them.

If an event occurs that is likely to result in a claim, the following checklist will help You ensure that You have done everything You need to do, so that Your claim can be assessed quickly. Not all items may be applicable to Your claim.

### **TO MAKE A CLAIM ON THIS INSURANCE POLICY;**

- contact Our claims team on 1300 652 936 to report the Total Loss as soon as possible;
- complete, sign and return the claim form and any requested documentation that may be requested by Our claims team;
- help Us manage Your claim which may include Us asking You questions or You providing written statements to Us under oath;
- request and authorise Your Motorcycle Insurer to release to Our claims team all documentation relevant to any payout under Your Motorcycle Insurance Policy;
- request and authorise Your Financier to release to Us all documentation relevant to verify the amount You owe the Financier under Your Loan;
- provide Us with all documentation relevant to the purchase of Your Motorcycle if requested by Us;
- send Us any documentation You receive relating to a claim under Your Motorcycle Insurance Policy including telling Us of any pending court proceedings;
- help Us as We work to exercise for Our benefit Your legal right of recovery against any other party; and
- tell Us of any other insurance that may be relevant to the claim.

### **CLAIM RECOVERY**

We reserve the right to take action to recover any money paid by Us as a result of a claim. When We do this, We may need to take such action in Your name. You must cooperate with Us and give Us any information We may require. We will pay for any legal costs.

### **AGREEMENTS AFFECTING RIGHTS OF SUBROGATION**

We will not pay a claim if, without prior agreement from Us, You make any agreement that will prevent Us from recovering the loss from a third party.

### **WHEN WE MAY REFUSE TO PAY OR REDUCE A CLAIM AMOUNT**

We may refuse or reduce the amount We pay in relation to a claim (to the extent permitted by law) if amongst other things:

#### **When making a claim, You:**

- are not truthful;
- have not given Us, or refuse to give full and complete details; or
- have not told Us something You should have.

#### **You do not at all times take reasonable care to:**

- protect Your Motorcycle against any initial or further loss or damage;
- keep Your Motorcycle in good order.
- You do not give Us the documentation and information We may need to help Us decide on any amount that We may pay You.

## 4. WHAT DO WE PAY?

The cover below is only applicable if it is shown as covered on Your Certificate of Insurance.

COVER SECTION	WHAT WE PAY		WHAT WE DO NOT PAY																
	COVER PROVIDED	ADDITIONAL BENEFIT																	
<b>Gap Cover</b>	<p>Cover can only be taken out at the commencement of Your Loan.</p> <p><b>Gap Cover – Remaining Balance Due</b></p> <p>If, during the Period of Insurance, the Financier receives a Total Loss Payout made under Your Motorcycle Insurance Policy, We will pay to the Financier the Remaining Balance Due for Your Motorcycle under Your Loan up to the Maximum Benefit payable for the Cover Option selected.</p> <p>The Maximum Benefit We will pay in relation to a claim is based on the Cover Option which You select when You apply for this Policy, as set out in Your Certificate of Insurance.</p> <table border="1"> <thead> <tr> <th>Cover Option</th> <th>Maximum Benefit</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>\$15,000</td> </tr> <tr> <td>2.</td> <td>\$10,000</td> </tr> <tr> <td>3.</td> <td>\$5,000</td> </tr> </tbody> </table> <p><b>No Remaining Balance Due</b></p> <p>We will pay You \$1,500 if there is no Remaining Balance Due under Your Loan because the amount paid by Your Motorcycle Insurer as a Total Loss Payout is more than the amount owing on Your Loan.</p> <p>This amount is paid by Us instead of the Maximum Benefit for the Cover Option selected by You and once We have paid this amount We will not pay any Additional Benefit.</p> <p><b>Replacement Motorcycle</b></p> <p>If, during the Period of Insurance and following a Total Loss under Your Motorcycle Insurance Policy, Your Motorcycle Insurer replaces Your Motorcycle with a Replacement Motorcycle and there is no payment made to Your Financier by the Motorcycle Insurer, We do not make any payment under this Policy but You can elect to continue cover under this Policy on the Replacement Motorcycle.</p> <p>To do this You must provide details of the Replacement Motorcycle to Us. Where You elect to continue this insurance on the Replacement Motorcycle:</p> <ul style="list-style-type: none"> <li>no payment will be made by Us in respect of Your Motorcycle being a Total Loss at that time, and</li> <li>the Replacement Motorcycle will become Your Motorcycle for the purposes of this insurance.</li> </ul>	Cover Option	Maximum Benefit	1.	\$15,000	2.	\$10,000	3.	\$5,000	<p>If, during the Period of Insurance, the Financier receives a Total Loss Payout made under Your Motorcycle Insurance Policy and there is a Remaining Balance Due under the Loan for Your Motorcycle, We will pay to You an Additional Benefit up to the amount specified below for the Cover Option You select when you apply for this Policy:</p> <table border="1"> <thead> <tr> <th>Cover Option</th> <th>Additional Benefit</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>\$2,500</td> </tr> <tr> <td>2.</td> <td>\$1,500</td> </tr> <tr> <td>3.</td> <td>\$1,000</td> </tr> </tbody> </table> <p>This Additional Benefit is intended to provide financial assistance for costs incurred by You during the period between the Total Loss and the replacement of Your Motorcycle.</p> <p>This Additional Benefit will be paid by Us directly to You on receipt from You of any of the following which We may require:</p> <ul style="list-style-type: none"> <li>the relevant documents, receipts and/ or invoices relating to the costs incurred in order to receive the Additional Benefit; and</li> <li>Your confirmation or declaration that any payment made by Us as an Additional Benefit will not be used in any way which relates to any Loan by the Financier.</li> </ul>	Cover Option	Additional Benefit	1.	\$2,500	2.	\$1,500	3.	\$1,000	<p>In calculating the amount We pay to the Financier, for the Remaining Balance Due on Your Loan under this Policy, the following amounts will not be included:</p> <ul style="list-style-type: none"> <li>any payments in arrears under the Loan;</li> <li>any penalty payments for early discharge or additional interest payments under the Loan;</li> <li>the amount of any increased liability where there has been a variation to Your Loan which has not been notified to Us and confirmed by Us as being covered by the Policy;</li> <li>any amount included in the Loan for the purchase of anything other than Your Motorcycle; or</li> <li>any amounts included from previous loans, loan fees and charges (including broker fees) or amounts used to fund payments to You or other debt consolidation.</li> </ul> <p>We will not pay any excess or additional payments due and applicable to Your Motorcycle Insurance Policy.</p> <p>We will not pay any benefit under the Policy if Your Motorcycle Insurer does not pay out the full Market Value (on a Market Value Motorcycle Insurance Policy) or the full Agreed Value (on an Agreed Value Motorcycle Insurance Policy) following a Total Loss for any reason whatsoever.</p> <p>We will not pay any claims under the Policy unless Your Motorcycle Insurance Policy is maintained during the Period of Insurance.</p> <p>We will not pay more than one claim under the Policy in the Period of Insurance.</p> <p>We will not pay any claim for Your Motorcycle if it is registered for business use, or it should be at law.</p>
Cover Option	Maximum Benefit																		
1.	\$15,000																		
2.	\$10,000																		
3.	\$5,000																		
Cover Option	Additional Benefit																		
1.	\$2,500																		
2.	\$1,500																		
3.	\$1,000																		



## 5. WHAT OUR WORDS MEAN?

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

**Additional Benefit** means the benefit payable as additional benefits under the Cover Option selected by You .

**Agreed Value** means the fixed amount which Your Motorcycle Insurer agrees to insure Your Motorcycle for at the time of loss.

**Certificate of Insurance** means the relevant Certificate of Insurance We give You. We give You a Certificate of Insurance when You first buy the Policy or whenever any part of the Policy is changed.

**Cover Option** means the option You selected when You applied for this insurance.

**Financier** means the finance company or credit institution that provided the funds for the Loan, as stated on the Certificate of Insurance.

**Loan** means the legal agreement with the Financier which describes the terms and conditions under which the funds were provided to You for Your Motorcycle.

**Market Value** means the market value of Your Motorcycle as immediately prior to the incident resulting in the Total Loss. This value is determined by Your Motorcycle Insurer.

**Maximum Benefit** means the maximum amount payable for the Cover Option selected as shown in Your Certificate of Insurance.

**Motorcycle** means the Motorcycle shown on Your Certificate of Insurance.

**Motorcycle Insurance Policy** means the policy of insurance which provides cover for loss or damage or theft of Your Motorcycle being in force as at the date of the incident resulting in the Total Loss.

**Motorcycle Insurer** means the insurance company that has insured Your Motorcycle under Your Motorcycle Insurance Policy.

**Period of Insurance** means the period of time that You are covered by the Policy. This period is shown on Your Certificate of Insurance. However, this period may end earlier at the time the Policy otherwise ends in accordance with its provisions or the relevant law.

**Policy** means Your insurance contract with Us. It includes this PDS, the Certificate of Insurance and any other documented correspondence We tell You forms part of the terms and conditions of Your cover, including any endorsements issued by Us.

**Remaining Balance Due** means the amount owing to the Financier under the Loan as at the date of the incident resulting in the Total Loss, less the amount of the Total Loss Payout.

**Replacement Motorcycle** means a new motorcycle that You have received during the Period of Insurance where Your Motorcycle Insurer replaces the Motorcycle which was declared a Total Loss.

**Total Loss** means when Your Motorcycle is:

- stolen and not recovered; or
- damaged to the extent that Your Motorcycle Insurer decides it is not economical or safe to repair.

**Total Loss Payout** means a payout of the full Market Value (on a Market Value Motorcycle Insurance Policy) or the full Agreed Value (on an Agreed Value Motorcycle Insurance Policy) by Your Motorcycle Insurer in respect of the Total Loss of Your Motorcycle.

**We, Us, Our** means the insurer acting through its agent NM Insurance as set out in this document.

**You, Your or Insured** means the person or persons named as the insured when You applied for this insurance as named in the Certificate of Insurance.

## 6. OUR OBLIGATIONS TO YOU

### CANCELLING YOUR INSURANCE

You can cancel the Policy at any time by calling Us. We will explain the cancellation process to You. Provided there have been no claims or entitlement to claim, We will refund any premium You have paid, less an amount that covers the period for which You were insured, any government or statutory charges We are not able to recover and a cancellation fee of \$30. If any refund is less than the cancellation fee, no refund will be made.

We can cancel Your insurance to the extent permitted by law, for example if You do not comply with the Policy terms and conditions, fail to pay Your premium, make a fraudulent claim or if You did not comply with Your Duty of Disclosure or misrepresented information when You entered into the Policy. If We cancel the Policy We will send You a cancellation letter.

### WHEN DOES THE POLICY END?

The Policy ends as soon as one of the following occurs and, unless ending earlier as otherwise provided for in the Policy:

- the Loan for your Motorcycle is paid out, discharged, refinanced or terminated;
- Your Motorcycle is sold;
- the due date for Your final repayment under the Loan has passed even if You still owe money;
- the effective date of Your Policy being cancelled; or
- when the Period of Insurance shown in Your Certificate of Insurance ends.

You should contact Us immediately when any of the first three events listed above happen.

### CONFIRMING TRANSACTIONS

You may contact Us in writing or by phone to confirm any transactions under Your insurance if You or Your adviser do not already have the required Policy confirmation details.

### GENERAL INSURANCE CODE OF PRACTICE

We are 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 claims and complaints are handled and help people better understand how general insurance works. Information brochures on the Code are available upon request. As We act through Our agent, NM Insurance, NM Insurance will also be subject to (where applicable) the same found in the Code of Practice.

## SANCTIONS

We are not liable to make any payments for liability under any coverage sections of this Policy or make any payments under any extension for any loss or claim arising in, or where the insured person or any beneficiary under the Policy is a citizen or instrumental in the government of, any country(ies) against which any laws and/or regulations governing the Policy and/ or the insurer, its parent company or its ultimate controlling entity have established an embargo or other form of economic sanction which have the effect of prohibiting the insurer to provide insurance coverage transacting business with or otherwise offering economic benefits to the insured person or any other beneficiary under the policy.

## HOW WE PROTECT YOUR PRIVACY

AIG Australia and NM Insurance are committed to protecting Your privacy in accordance with the Privacy Act 1988 (Cth) (the "Act") and the Australian Privacy Principles (APPs). In this section dealing with Privacy, "We", "Our" and "Us" refers to both AIG Australia and NM Insurance.

Further information about our Privacy Policies is available at:

- For AIG Australia at [www.aig.com.au](http://www.aig.com.au) or by contacting AIG at [australia.privacy.manager@aig.com](mailto:australia.privacy.manager@aig.com) or on 1300 030 886; and
- For NM Insurance at [www.nminsurance.com.au](http://www.nminsurance.com.au) or by contacting NM Insurance at [customerservice@nminsurance.com.au](mailto:customerservice@nminsurance.com.au) or on 1300 780 533.

This Privacy Statement outlines why, how we collect, disclose and handle Your personal information (including sensitive information) as defined in the Act about:

- You, if an individual; and
- other individuals you provide information about.

## WHY WE COLLECT YOUR PERSONAL INFORMATION

We collect Your personal information (including sensitive information) so We can:

- underwrite and administer Your insurance cover
- advise You about and determine what other service or products We can
  - I. provide to You, or;
  - II. that may interest You;
- identify You and conduct necessary checks;
- issue, manage and administer services and products provided to You or others, including processing requests for quotes, applications for insurance, underwriting and pricing policies, issuing You with a policy, managing claims, claims investigation, handling and settlement;
- maintain and improve Our services and products;
- make special offers or offer other services and products provided by Us or those We have an association with, that might be of interest to You.

You also have a legal obligation under the Insurance Contracts Act 1984 to disclose certain information. Failure to disclose information required may result in AIG Australia declining cover, a cancellation of Your insurance cover or reducing the level of cover, or declining claims.

If You choose not to provide Us with the information We have requested, We may not be able to provide You with Our services or products or properly manage and administer services and products provided to You or others.

## HOW WE COLLECT YOUR PERSONAL INFORMATION

Collection can take place by telephone, email, or in writing and through websites (from data You input directly or through cookies and other web analytic tools).

We collect it directly from You or Your agent.

There may, however, be occasions where We collect Your personal information from someone else.

This may include:

- our authorised representatives;
- other Insurers;
- our legal or other advisors;
- anyone You have authorised to deal with Us on Your behalf;
- our distributors or referrers, agents or related companies;
- service providers;
- another party involved in a claim including parties who assist Us in investigating or processing claims;
- third parties who may be arranging insurance cover for a group that You are a part of;
- providers of marketing lists and industry databases;
- publically available sources;
- third parties claiming under Your Policy;
- witnesses and medical practitioners;
- family members; and
- in the case of AIG, personal information provided to them by NM Insurance or vice versa.

If You provide Us with personal information about another person You must only do so with their consent and agree to make them aware of:

- this privacy notice;
- that You will, or may, provide their information to Us and third parties We may provide it to;
- the relevant purposes We and any of such third parties will use it for; and
- how such persons can access their personal information.

If it is sensitive information We rely on You to have obtained such other persons consent on these matters. If You have not done so, or will not do so, You must tell Us before You provide their relevant personal information.

## TO WHOM WE DISCLOSE YOUR PERSONAL INFORMATION TO

In the course of underwriting and administering Your Policy as well as providing services to You, we may disclose Your information to entities to which We are related, in the case of NM Insurance, their insurers, reinsurers, contractors Our representatives or third party providers providing services related to Us or who are administrating Your policy;

- other insurers and reinsurers;
- banks and financial institutions for Policy payments;
- assessors, third party administrators, emergency providers, retailers, medical providers, travel carriers, in the event of a claim;
- other entities to enable them to offer their products or services to You;

- government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law;
- Your agents;
- Our legal, accounting and other professional advisers;
- data warehouses and consultants;
- mailing houses and marketing companies;
- insurance reference bureaus;
- credit providers;
- social media and other similar sites and networks, membership;
- loyalty and rewards programs or partners;
- providers of medical and non-medical assistance and services;
- investigators, loss assessors and adjusters;
- 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.

You can contact NM Insurance or AIG Australia for details or refer to the AIG Privacy Policy or the NM Insurance Privacy Policy available at Our respective websites [www.aig.com.au](http://www.aig.com.au) and [www.nautilusinsurance.com.au](http://www.nautilusinsurance.com.au).

## MORE INFORMATION, ACCESS, CORRECTION OR COMPLAINTS

Our Privacy Policies contains information about how you may access and seek correction of personal information we hold about You. In summary, you may gain access to your personal information by submitting a written request to Us.

In some circumstances permitted under the Privacy Act 1988, we may not permit access to Your personal information.

Circumstances where access may be denied include where it would have an unreasonable impact on the privacy of other individuals, or where it would be unlawful.

For more information about Our privacy practices including how We collect, use or disclose information, how to access or seek correction to Your information or how to complain in relation to a breach of the Australian Privacy Principles and how such a complaint will be handled, please refer to the AIG Privacy Policy or the NM Insurance Privacy Policy available at Our respective websites [www.aig.com.au](http://www.aig.com.au) and [www.nautilusinsurance.com.au](http://www.nautilusinsurance.com.au) or by contacting Us (Our contact details are below).

## COMPLAINTS

Our Privacy Policies also contains information about how you may complain about a breach of the applicable privacy principles and how we will deal with such a complaint.

## CONSENT

Your application includes a consent that you and any other individuals you provide information about consent to the collection, use and disclosure of personal information as set out in this notice.

## CONTACT US AND OPTING OUT

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.

### NM Insurance:

By phone 1300 780 533

By email: [customerservice@nminsurance.com.au](mailto:customerservice@nminsurance.com.au)

In writing: Level 5, 50 Berry Street

North Sydney NSW 2060

We also may need to disclose information to persons located overseas.

AIG Australia is likely to disclose information to some of the entities listed above who are located in the following countries: United States of America, United Kingdom, Singapore, Malaysia, the Philippines, India, Hong Kong, New Zealand as well as any country in which you have a claim.

These countries may change from time to time and as may be notified in Our Privacy Policy from time to time.

### AIG Australia:

By phone: 1300 030 886

By email: [australia.privacy.manager@aig.com](mailto:australia.privacy.manager@aig.com)

In writing: Privacy Manager,

AIG Australia Limited,

Level 12, 717 Bourke Street,

Docklands Vic 3008

## HOW WE RESOLVE YOUR COMPLAINTS

We welcome every opportunity to resolve any concerns You may have with Our products or service. Any enquiry or complaint relating to this insurance or NM Insurance should first be referred to:

NM Insurance Pty Ltd

Level 5, 50 Berry Street

North Sydney NSW 2060

Telephone: 1300 780 533 Facsimile: 02 8920 1275

Email: [customerservice@nminsurance.com.au](mailto:customerservice@nminsurance.com.au) in the first instance.

If this does not resolve the matter or You are not satisfied with the way a complaint has been dealt with, please follow the procedure outlined below:

You can register a complaint by telephoning Us on 1800 339 669 or by writing to:

The Compliance Manager

AIG Australia Limited

Level 12, 717 Bourke Street,

Docklands VIC 3008

As soon as We receive Your complaint We will take all possible steps to resolve it. You will receive a written response to Your complaint within 15 working days, unless We agree a longer timeframe with You.

If You are not satisfied with Our response to Your complaint, You may wish to have the matter reviewed by Our Internal Dispute Resolution Committee ("Committee"). The Committee is comprised of Senior Management of the company who have the experience and authority to decide on matters brought to the Committee.



If You wish to have Your complaint reviewed by this Committee please telephone or write to the person who has signed the response letter to Your complaint and provide them with detailed reasons for requesting the review. This information will greatly assist the Committee in reviewing Your claim or enquiry. Your complaint will then be treated as a dispute. You may also make a request for a review by the Committee by contacting:

The Chairperson IDRC  
AIG Australia Limited  
Level 12, 717 Bourke Street,  
Docklands VIC 3008

A written response setting out the final decision of the Committee and the reasons for this decision will be provided to You within 15 working days of the date You advise Us You wish to take Your complaint to IDRC.

If We are unable to provide a written response setting out the final decision We will keep You informed of progress at least every 10 days.

If You are not satisfied with the finding of the Committee, or if We have been unable to resolve Your complaint within 45 calendar days, You may be able to take Your matter to an independent dispute resolution body, the Financial Ombudsman Service (FOS). This external dispute resolution body can make decisions with which AIG are obliged to comply.

Contact details are:

Financial Ombudsman Service  
GPO Box 3, Melbourne, VIC 3001  
Tel: 1300 78 08 08 (local call fee applies)  
Email: [info@fos.org.au](mailto:info@fos.org.au)  
Internet: <http://www.fos.org.au>

You should note that use of the FOS scheme does not preclude You from subsequently exercising any legal rights, which You may have if You are still unhappy with the outcome.

Before doing so however, We strongly recommend that You obtain independent legal advice.

If Your complaint does not fall within the Financial Ombudsman Service's terms of reference, We will advise You to seek independent legal advice or give You information about any other external dispute resolution options (if any) that may be available to you.

## **UPDATING THIS PDS**

We may need to update this PDS from time to time if certain changes occur where required and permitted by law. We will issue You with a new PDS or Supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, We may issue You with notice of this information in other forms or keep an internal record of such changes (You can get a paper copy free of charge by calling Us).

## **DISTRIBUTION OF THIS INSURANCE**

Pursuant to the ASIC Corporations (Basic Deposit and General Insurance Product Distribution) Instrument 2015/682, certain persons, including selected Yamaha dealers, finance companies, and occasionally other persons have been authorised by NM Insurance as general insurance distributors to deal in this insurance on Our behalf.

These persons are not authorised to provide any advice on this insurance and have no binding authority to enter into any Policy or settle any claim or otherwise act on behalf of the insurer. If You have any questions, please contact NM Insurance.

Any person who provides financial services to You as a general insurance distributor will tell You that they are acting in that capacity.

The Corporations Act 2001 (Cth) requires licensees such as NM Insurance to have arrangements for compensating retail clients for losses they suffer as a result of a breach by the licensee or its representatives of Chapter 7 of the Act, unless an exemption applies. NM Insurance has compensation arrangements in place that meets these requirements.

## **DISTRIBUTORS' REMUNERATION**

Distributors receive a commission whenever You enter into a policy arranged by them (including some variations which increase the premium payable). The commission excludes GST and is a percentage of the base premium (i.e. premium excluding the amounts included by Us in relation to applicable stamp duty, fire service levy, GST or any other government charges, taxes, fees or levies). The commission is included as part of Your premium.

## **HOW NM INSURANCE IS REMUNERATED FOR THE SERVICES PROVIDED**

NM Insurance also receives a commission whenever You enter into a policy arranged by them or their Yamaha dealer distributors (including some variations which increase the premium payable).

We may also advance it other money in the period to cover marketing and other costs and expenses which is agreed on a case by case basis.

For services in administering this insurance NM Insurance may be paid a profit share amount in relation to all Yamaha Gap Cover Insurance policies entered into in each annual period. The amount NM Insurance can receive is a percentage of the net profit amount (if any) which is determined by the Insurer and is based on the total premium excluding certain costs, expenses, fees and liabilities in relation to the policies (e.g. taxes and charges on the policy, reinsurance costs, claims payments, commission paid and administrative costs) over a 12 month period.

If there is no net profit in the annual period, NM Insurance receives no profit share. Any profit share amount is paid 3 months after the annual period ends.

NM Insurance will also charge You a fee, which varies depending on the dealing service it provides You with. The fee is paid in addition to the premium and is specified in the Certificate of Insurance.

NM Insurance's staff receive an annual salary that may include bonuses based on performance criteria (which can include sales performance) and the achievement of company goals.

## **7. OTHER IMPORTANT INFORMATION**

### **REMUNERATION PAYABLE TO REFERRERS**

NM Insurance will in some cases pay a pre agreed fee and/or a commission which is a percentage of the premium, to persons who refer You to it if You buy the insurance.

The amount paid will depend on the person who refers You and their level of involvement in the transaction.

### **FURTHER INFORMATION ABOUT REMUNERATION**

If You would like more details about the remuneration (including commission) or other benefits NM Insurance, its distributors or referrers receive, please ask for it within a reasonable period after You receive this PDS and before this insurance is issued to You.

### **FINANCIAL CLAIMS SCHEME**

The protection provided under the Federal Government's Financial Claims Scheme (the Scheme) applies to the Policy. In the unlikely event that the Insurer is unable to meet its obligations under the Policy, persons entitled to make a claim under the insurance cover under the Policy may be entitled to payment under the Scheme (access to the Scheme is subject to eligibility criteria). Information about the Scheme can be obtained from the APRA website at <https://www.fcs.gov.au>.

## **8. CLAIM PAYMENT EXAMPLE**

The following example is designed to illustrate how a claim payment is calculated. This is only an example. We determine claim payments on an individual basis, based on the terms and conditions of the Policy. The example does not cover all claims scenarios or all benefits. The example assumes that the policy holder is not registered for GST. You should read this PDS and Your Certificate of Insurance for full details of what we cover as well as what policy limits and exclusions apply.

### **Example: Remaining balance due**

You have comprehensive cover for Your Motorcycle with a comprehensive Motorcycle insurer. You also have Gap Cover for Your Motorcycle with Us, which is subject to a Maximum Benefit of \$10,000 (You selected Cover Option 2 when you applied for the Policy).

You have a loan for Your Motorcycle of \$50,000. Your Motorcycle is in an accident that results in a Total Loss. Your comprehensive Motorcycle insurer pays Your Financier a Total Loss Payout for the amount of \$42,000.

### **HOW MUCH WE WILL PAY**

We pay the Financier the Remaining Balance Of Your Loan, being \$8,000.

We also pay You an Additional Benefit of \$1,500.



### **NM Insurance Pty Ltd**

ABN 34 100 633 038 AFSL 227186

Level 5, 50 Berry Street North Sydney NSW 2060

Phone: 1300 780 533

Email: [customerservice@nminsurace.com.au](mailto:customerservice@nminsurace.com.au)

Website: [www.nminsurace.com.au](http://www.nminsurace.com.au)