

Policy Wording

Australian Parachute Federation Equipment Insurance



Dated: 30th June 2019

Issued by ATC Insurance Solutions Pty Ltd ("ATC") (ABN 25 121 360 978, AFS Licence 305802) acting under a binder.
Underwritten by XL Insurance Company SE, Australia Branch
(ABN 36 083 570 441)

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PART 1 – PRODUCT DISCLOSURE STATEMENT

1. Introduction

This Product Disclosure Statement (PDS) will help You decide whether to take out this insurance and to compare this product with other products You may be considering.

Pursuant to the *Corporations Act 2001* (Cth), We are required to provide You with a copy of this PDS if You are a retail client as defined in the Act. A retail client is an individual or a small business.

Part 1 of this document includes general information about this insurance. Part 2 of this document is the policy wording that sets out the specific terms, conditions and exclusions of the cover that We will provide, which should be read to ensure that it provides the cover You need.

You should keep this PDS in a safe place for future reference, such as at the time of a claim.

In this PDS, We/Us/Our mean ATC Insurance Solutions Pty Ltd acting under a binder as an agent of XL Insurance Company SE, Australia Branch (ABN 36 083 570 441).

You/Your means the Insured named in the Schedule.

It is important that You read this PDS carefully to understand the extent of cover provided by this insurance as well as its limitations.

2. Words with a special meaning

Excluding headings, words that begin with a capital letter have a special meaning when used in this PDS. These words are listed in 'General Definitions' in the Policy wording from page 10 and We have used the same meanings throughout this PDS to be consistent.

3. About the insurer

This insurance is underwritten by XL Insurance Company SE, Australia Branch (ABN 36 083 570 441). In consideration of the premium specified in the Schedule, the said underwriters are hereby bound to insure in accordance with the terms and conditions contained herein or endorsed hereon. The Insurers are referred to in the Policy as "We", "Our" and "Us" or "Insurers".

4. About ATC

The Policy is issued by ATC Insurance Solutions Pty Ltd (ATC) ABN 25 121 360 978 AFSL 305802 acting under a binder as an agent of XL Insurance Company SE, Australia Branch (ABN 36 083 570 441). ATC acts on behalf of the Insurers and not You.

ATC can be contacted as follows:

ATC Insurance Solutions Pty Ltd
Level 4, 451 Little Bourke Street
Melbourne VIC 3000

Telephone (03) 9258 1777
Facsimile (03) 9867 5540
Website www.atcis.com.au

5. Overview of this insurance

This insurance Policy is intended to provide a benefit to You should You damage, destroy or physically lose Your Equipment, or in the event that Your Equipment is stolen.

6. Significant features and benefits of the cover

In the event that You damage, destroy or physically lose Your Equipment, or in the event that Your Equipment is stolen, we will pay up to the Sum Insured stated on the Schedule. You would have selected the Sum Insured at the start of the Period of Insurance and You can chose to change this by contacting Your insurance broker.

7. Your individual requirements

When preparing this PDS, We have not taken into account Your individual objectives, requirements or financial position. We distribute this product through a licensed insurance broker.

You should discuss with Your insurance broker the type of risks You need to insure against and the appropriate amount of cover that You need. Further, if You have any questions about the appropriateness of this product for Your objectives, requirements or financial position, You should seek advice from Your insurance broker.

If You wish to contact Us about this PDS, please use the contact details given above. However, We can only provide You with factual information or general advice about this product and cannot advise You whether the product is appropriate for Your objectives, requirements or financial position.

If Your circumstances change after taking out this insurance, relevant to the risks We have agreed to insure, You should notify Us (or ask Your insurance broker to do so on Your behalf) as soon as possible.

8. Other issues to consider before taking out this insurance

Like all insurance contracts, the Policy contains exclusions, terms and conditions that You should be aware of when considering whether to purchase this product.

9. Exclusions and limitations

The Policy has a number of general exclusions that apply to all benefits under the Policy. A full list of exclusions are listed in 'General Exclusions' from page 11.

10. Sum Insured

There is a maximum amount We will pay in the event of a claim being made under this Policy. This amount is shown in the Schedule.

11. General conditions

The Policy has a number of general conditions that apply to each benefit. These conditions are listed from page 12.

In some circumstances, a breach of a condition may entitle Us to refuse to pay a claim or reduce the amount We are liable to pay.

12. Our contract with You

The terms of cover are contained in this PDS, the Schedule, any attachments to the Schedule, the application for the insurance, and any endorsements We issue.

You should keep all of these documents in a safe place.

13. How to renew this insurance

Before the expiry date of the Policy, We will send You a renewal notice via Your insurance broker advising whether We will offer to renew the Policy and on what terms. You should carefully check the information shown on Your renewal notice to ensure that the details are correct.

We will provide You with a supplementary PDS if any information in the original PDS has changed since the insurance was first taken out.

14. The Premium

When calculating Your premium We take into account a number of factors, including the amount of cover You select and We provide, Your previous claims history and the activities being undertaken by You.

Your Premium is also subject to Commonwealth and State taxes and charges including GST and stamp duty. A split of the premium is provided on the Schedule.

Please note that the cover We provide is subject to payment of the premium. Non-payment of premium may result in cancellation of the Policy.

15. 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.

16. General Insurance Code of Practice

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the general insurance industry.

You can obtain more information on the Code of Practice, how it applies in relation to Us and ATC and Your rights under its terms, by contacting Us and/or ATC. Information on the Code can be found at <http://codeofpractice.com.au/>.

17. Cooling off

You have 14 days after the Policy has commenced to decide if the Policy meets Your needs. You may exercise Your cooling off right by advising Us directly or via Your insurance broker or intermediary that You wish to cancel Your Policy (refer to 'Cancellation' clause 18 below).

If You do this, We will refund any premium You have paid during the cooling off period unless You have made a claim, or anything else has occurred during the cooling off period for which a claim is payable. If We are unable to recover any charges or taxes paid by Us, this will be deducted from the refund amount.

18. Cancellation

The Policy may be cancelled:

- a) by the Insured at any time by giving notice in writing to Us. Such cancellation will be effective from the date upon which We physically receive Your notice. Upon receipt of such notice the Insured will be entitled to a pro rata refund of premium for that portion of the Policy not utilised, less 10% of the premium amount, any administration fees and any Government taxes or duties we are unable to recover;
- b) by Us in accordance with the provisions of the Insurance Contracts Act 1984. The Insured will be entitled to a pro rata refund of premium for that portion of the Policy not utilised less any administrative fees and any Government taxes or duties we are unable to recover.

Subject at all times to Us retaining any minimum policy premium amount in force at the time of cancellation.

In the event that the Insured has made a claim or notification under the Policy, the Insured will not be entitled to a pro-rata refund for any unused portion of the premium.

19. How to make a claim

To make a claim for benefits under this Policy, You can send a completed claim form to Us as follows:

ATC Insurance Solutions Pty Ltd
Level 4, 451 Little Bourke Street
Melbourne VIC 3000

Visit Our website to obtain a claim form or contact the ATC Insurance claims team if You have any questions or require assistance.

Please note that claim conditions apply; these are stated in 'Part 2- Policy Wording',

20. Financial Claims Scheme

This Policy may be a protected Policy under Federal Government's Financial Claims Scheme (FCS), which is administered by APRA. The FCS may apply in the event that a general insurance company becomes insolvent. If the FCS applies a person who is entitled to make a claim under this Policy may be entitled to a payment under the FCS. Access to the FCS is subject to eligibility criteria. You may obtain further information about the FCS from www.fcs.gov.au and the APRA hotline on 1300 55 88 49.

21. Complaints & Dispute resolution

We view seriously any complaint made about Our products or services and will deal with it promptly and fairly. If You have a complaint please first try to resolve it by speaking to the relevant member of Our staff.

We have an Internal Disputes Resolution process and suggest You contact Our Internal Dispute Resolution Officer on (03) 9258 1777 or by writing to Us at the address given above. We will acknowledge receipt of Your complaint within three working days and, provided We have sufficient information, will complete the review within 15 working days. Otherwise, We will agree a new timeframe for responding to You. In any event, We will provide You with an update every 10 working days.

If the matter is still not resolved, You may then contact:

The Complaints Officer
XL Insurance Company SE, Australia Branch
Level 28 123 Pitt Street, Sydney NSW 2000
Email: apacompliance@axaxl.com

XL Insurance Company SE, Australia Branch offers a no cost complaint resolution service to You which is independent and impartial. XL Insurance Company SE, Australia Branch will advise You on how to proceed with Your complaint. If XL Insurance Company SE, Australia Branch is unable to assist, they will promptly advise You.

If You are still not satisfied with the final decision, You may wish to contact the Australian Financial Complaints Authority, which is a free independent external disputes resolution service provided to customers to review and resolve complaints where We have been unable to satisfy Your concerns.

For further details, please contact:

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

Telephone: 1800 931 678

Website: www.afca.org.au

Email: info@afca.org.au

22. Privacy

In this privacy statement “we”, “us” and “our” means the Insurer and ATC acting under a binder as its agent and “you” or “your” means any individual whose personal information we collect for the purposes of the Policy.

We are bound by the requirements of the Privacy Act 1988 (Cth), which set out standards on the collection, use, disclosure and handling of personal information.

Personal information is essentially any information or an opinion about an identified individual, or an individual who is reasonably identifiable. See the Privacy Act for full details of what constitutes personal information.

Our privacy policy is available at www.atcis.com.au or by calling us on the number below.

We, and our agents, need to collect, use and disclose your personal information in order to consider your application for insurance and to provide the cover you have chosen, administer the insurance and assess any claim and to 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.

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 the cover, administer the insurance or assess a claim.

We may disclose your personal information to third parties (and/or collect additional personal information about you from them) who assist us in providing the above services and some of these are likely to be overseas recipients, including in the United Kingdom. These parties, which include our related entities, distributors, agents, insurers, claims investigators, assessors, lawyers, medical practitioners and health workers, anyone either of us appoint to review and handle complaints or disputes, any other parties where permitted or required by law and federal or state regulatory authorities, including Medicare Australia and Centrelink, will only use the personal information for the purposes we provided it to them for (unless otherwise required by law).

Information will be obtained from individuals directly where possible and practicable to do so. Sometimes it may be collected indirectly (e.g. from your representatives or co-insureds or through websites from data you input directly or through cookies and other web analytic tools). If you provide information for another person you represent to us that:

- you have the authority from them to do so and it is as if they provided it to us; and

- you have made them aware that you will or may provide their personal information to us, the types of third parties we may provide it to, the relevant purposes we and the third parties we disclose it to will use it for, and how they can access it.

If it is sensitive information we rely on you to have obtained their consent on these matters. If you have not done or will not do either of these things, you must tell us before you provide the relevant information.

By providing us with personal information, you and any person you provide personal information for, consent to these uses 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 ATC on (03) 9258 1777 or write to us at the address given above.

23. Electronic Communication

Pursuant to the *Insurance Contracts Act 1984* (Cth), a notice or other document may be given by electronic communication in accordance with the *Electronic Transactions Act 1999* (Cth) and any regulations made under that Act. Amongst other things, this means that We can communicate with You by email.

If You are represented by an agent (e.g. your insurance broker) and they provide Us with their nominated email address, they and You consent to Us delivering documents electronically to that email address, unless you or they tell us otherwise. Any documents sent by email will be considered to have been received by You and Your Agent twenty four hours from the time We send them to that email address.

In all other cases, if You provide Us with Your nominated email address You consent to Us delivering documents electronically to that email address, unless You tell us otherwise. Any documents sent by email will be considered to have been received by You twenty four hours from the time We send them to that email address.

It is You and Your Agent's obligation to ensure that any email address provided to Us is up to date and let Us know promptly if it changes.

PART 2 – POLICY WORDING

In consideration of the payment of the Premium, and subject to the terms, conditions and exclusions of this Policy, we will pay up to the Sum Insured stated to You for any Damage to Equipment occurring during the Period of Insurance within the Policy Territory.

1. CLAIM CONDITIONS

- a) In the event that you need to make a claim under this Policy, You must provide us with all the evidence we require (including the completed claim form) to enable Us to assess Our liability for the claim. This information must be received by Us within 20 days of the Damage occurring. Any failure to supply this information within this period shall not invalidate or prejudice the claim if it was not reasonably possible to do so, provided that it is supplied to Us as soon as is reasonably possible and in no event (except in the absence of legal capacity) no later than 12 months from the date of the Damage.
- b) If there is Damage to your Equipment, You must, at Your own cost, ensure that You take all reasonable steps to stop or reduce any further loss or damage as well as take all reasonable steps to recover lost or stolen Equipment where applicable.
- c) You must inform the police as soon as possible if Your Equipment is stolen, maliciously damaged or vandalised. A copy of the police report or incident number must be provided to Us before Your claim can be assessed.
- d) If Your Equipment is lost or stolen, You must provide proof of ownership with the completed claim form.
- e) You must inform Us should there be any other insurance in place which may cover the same Equipment.
- f) You must not destroy, alter or repair any Equipment for which You are claiming for unless we confirm that you are able to do so, or unless necessary for practical or safety reasons. This may invalidate Your claim should you not comply with this condition.
- g) We will, at Our own discretion, pay the cost of repairing the Equipment to the same condition as it was in immediately prior to the Damage taking place, or replace the Equipment with new equivalent Equipment if a direct replacement is not available.

2. GENERAL DEFINITIONS

The following definitions apply to words used in this Policy when they begin with a capital letter:

CONTAMINATION means Damage or loss arising out of the discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon any property, land, atmosphere or any watercourse or body of water (including groundwater).

DAMAGE means physical destruction, loss, damage or theft not otherwise excluded in this Policy.

EXCESS means the amount shown in the Schedule which is payable by You in the event of a claim under this Policy.

EQUIPMENT means all parachuting and associated skydiving equipment listed on the Schedule provided to You at the inception or renewal of Your cover with Us.

Equipment does not include:

- (i) currency, money, notes, securities, stamps, deeds, evidences of debt, letters of credit, credit cards, passports, tickets of any kind;
- (ii) buildings of any kind including improvements and betterments;
- (iii) aircraft, hovercraft, watercraft, motorcycles, motor vehicles, mobile homes or other conveyances;
- (iv) film, video or audio tape;
- (v) antiques, jewellery, objects d'art, curios, works of art, furs, watches, pearls, precious and semiprecious stones, gold, silver, platinum and other precious metals or alloys;
- (vi) plants;
- (vii) animals of any kind;
- (viii) explosives of any kind; or
- (ix) electronic data of any kind.
- (x) any item not owned by You.

PERIOD OF INSURANCE means the period specified in the Schedule.

POLICY means the agreement between You and Us to provide insurance cover according to the terms, conditions and exclusions contained in this document, the application for insurance, the Schedule, any attachments to the Schedule and any endorsements.

POLICY TERRITORY means the territories in which the Policy provides cover as stated on the Schedule.

SCHEDULE means the schedule that We send to You with this document that contains Your specific insurance details.

SUM(S) INSURED means the maximum amount(s) payable stated in the Schedule

WAR means a state of armed conflict between different countries or different groups within a country including, but not limited to, any activity arising out of the of use of, or attempted use of, military force between nations, hostilities, rebellion, revolution, insurrection and invasion, regardless of whether War is declared or not.

WE/OUR/US mean ATC Insurance Solutions Pty Ltd (ABN 25 121 360 978) acting under a binder as an agent of XL Insurance Company SE, Australia Branch (ABN 36 083 570 441).

YOU/YOUR/INSURED means the insured stated in the Schedule who is a resident in Australia and a registered member of the Australian Parachute Federation.

3. AUTOMATIC EXTENSION

3.1. Cutaway Extension

We will pay up to \$5,000 for Damage to canopies, reserve free bag & pilot chute, cutaway cable and reserve ripcord following malfunction and cutaway, but not including an intentional cutaway for training or experience purposes.

4. GENERAL EXCLUSIONS

4.1. Unless shown in the Schedule, We shall not pay for Damage directly or indirectly caused by or arising from:

- (i) any breakdown whether mechanical, electrical, hydraulic or otherwise
- (ii) gradually operating causes such as, but not limited to, wear and tear, mildew, mould, corrosion, fading, evaporation, shrinkage, loss of weight or volume, dampness of atmosphere, or change in temperature or texture;
- (iii) vermin or insects,
- (iv) latent defects, inherent defects, faulty workmanship, faulty material, or faulty design;
- (v) faults or defects known to You and not disclosed to us at the time this insurance was arranged, extended, varied or renewed;
- (vi) mysterious or unexplained disappearance;
- (vii) rain, sleet, snow or hail, whether driven by wind or not, to Equipment stored in the open;
- (viii) failure to take all reasonable care to protect the Equipment, minimise a loss or provide adequate packaging for any Equipment;
- (ix) failure to main the Equipment in accordance with the manufacturer's guidelines
- (x) Equipment whilst in use;
- (xi) theft from an unattended unlocked vehicle;
- (xii) consequential loss of any kind;
- (xiii) confiscation of, requisition of or damage to equipment by or under order of any government, or public or local authority.
- (xiv) deliberate or intentional acts by You unless specifically covered elsewhere in this Policy.

4.2. We shall not pay any claim for Equipment not stated on the Schedule;

4.3. We will not pay for Damage, or the incurring of a liability, directly or indirectly caused or contributed to by, or in consequence of:

- a) War, invasion, acts of foreign enemies, hostilities, or war-like operations (whether war be declared or not) or civil war;

- b) Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, military or usurped power, confiscation, nationalisation, requisition, or destruction of or Damage to Equipment by or under order of any government, public or local authority or looting, sacking or pillage following any of the above;
- c) Nuclear reaction, nuclear radiation, radioactive Contamination or nuclear weapon material; or
- d) Any act of terrorism or any action taken in controlling, preventing or suppressing or in any way relating to any act of terrorism.

For the purposes of this clause an act of terrorism includes any act, or preparation in respect of action or threat of action, designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- I. Involves violence against one or more persons;
- II. Involves Damage to Equipment;
- III. Endangers life other than that of the person committing the action;
- IV. Creates a risk to health or safety of the public or a section of the public; or
- V. Is designed to interfere with or to disrupt an electronic system.

- 4.4. This Policy does not cover any loss or Damage arising directly or indirectly from nuclear reaction nuclear radiation or radioactive Contamination however such from nuclear reaction nuclear radiation or radioactive Contamination may have been caused. Nevertheless, in the event of a fire, and a fire arises directly or indirectly from nuclear reaction nuclear radiation or nuclear Contamination any loss or Damage arising directly from that fire shall (subject to the provisions of this Policy) be covered excluding however all loss or Damage caused by nuclear reaction nuclear radiation or radioactive Contamination arising directly from that fire.
- 4.5. It is agreed that this Insurance excludes loss, Damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

5. GENERAL CONDITIONS

5.1. Alteration of the risk

If You want to make any changes to the Equipment covered under this Policy, or if there are any material changes to the risk You have declared to Us and We have agreed to insure, You must notify Us or Your insurance broker in writing.

No cover will be in place until We agree any changes in writing. An additional premium may be payable.

5.2. Reasonable Care

You must take all reasonable care to:

- (i) prevent Damage to the Equipment; and
- (ii) maintain the Equipment in sound condition at all times and in line with the manufacture's guidelines; and

- (iii) comply with all statutory obligations and by-laws or regulations imposed by any public authority in respect of the Equipment; and
- (iv) minimise any loss.

5.3. Insured's Action after Theft or Damage

The Insured shall, upon becoming aware of any loss by theft or of any wilful or malicious damage which may give rise to a claim under this Policy, take all practicable steps to trace and recover any missing property and to discover by whom the property was stolen or damaged.

5.4. Payment of excess

You must pay the Excess in accordance with the terms and conditions applicable to this policy before We pay any claim under this Policy.

5.5. Other Insurance

The Insured shall give written notice as soon as practicable to the Insurer(s) of any other insurance or insurances effected covering the Property Insured.

In particular if the Insured seeks indemnity under any Policy in respect of a liability that is or may be covered in whole or in part by any other insurance, then the Insured must advise Us of the full details of such other insurance when making a claim with Us.

Subject to the Insurance Contracts Act 1984, We reserve the right to seek contribution from other insurer(s).

5.6. Subrogation

Any person claiming under this Policy shall at the request of and at the expense of the Insurer(s) do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Insurer(s) for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Insurer(s) shall be or would become entitled or subrogated upon the Insurer(s) paying for or making good any destruction or damage under this Policy.

If the Insurer(s) make(s) any recovery as a result of such action, the Insured may only recover from the Insurer(s) any amount by which the amount recovered by the Insurer(s) exceeded the amount paid to the Insured by the Insurer(s) in relation to the loss.

5.7. Jurisdiction

This Policy shall be interpreted in accordance with the laws of Victoria, Australia and the Victorian Supreme Court or the Insurance List of the Federal Court of Australia (Melbourne Registry) shall have exclusive jurisdiction to hear any disputes arising under this policy or relating to the application of this policy.

5.8. Severability

In the event that any part of this Policy is found to be invalid or unenforceable, the remainder of the Policy shall remain in force.

5.9. Sanction Limitation and Exclusion Clause

We shall not be deemed to provide cover and We shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

5.10. Service of Suit

We agree that:

- a) In the event of a dispute arising under this insurance, the underwriters at the request of the Insured will submit to the jurisdiction of any competent Court in the Commonwealth of Australia. Such dispute shall be determined in accordance with the law and practice applicable in such Court.

Any summons notice or process to be served upon the underwriters may be served upon:

XL Insurance Company
Level 28 123 Pitt Street, Sydney NSW 2000

Telephone: +61 (0) 2 8235 5100
Facsimile: +61 (0) 2 8235 5110

who has authority to accept service and to enter an appearance on Our behalf,

- b) If a suit is instituted against one of the underwriters, all underwriters hereon will abide by the final decision of such Court or any competent Appellate Court.