



## Product update

# Changes to TIAIB Taxi Motor Vehicle PDS and Insurance Policy v8.03.2019 (QM8238)

## Why have changes been made?

We have updated our PDS and policy wording following a review in relation to unfair contract terms legislation.

Unfair Contract Terms (UCT) is an extension of the ASIC Unfair Contract Terms regime, originally passed in 2001, to include contracts issued under the Insurance Contracts Act (1984).

The legislation relates to both new and renewal business and is effective from 23th August 2021.

In general, the UCT legislation is about making it clear and easy for our customers to understand what they can expect of us and what we expect of them under the terms of their insurance policy. It is about removing ambiguity and reflecting what we actually do rather than what we might do.

## What are the changes?

We have made a number of changes to our PDS and policy wording, which meet legislative requirements and better reflect what we actually do. None of the changes we have made put our customers in a worse position or result in derogation of cover.

Examples of changes we have made:

1. In relation to Limitations and Exclusions that are applied to Section 1. The current wording states "consequential loss", however this is not defined and perhaps ambiguous. The updated wording provides clarity and defines "Consequential Loss".

The maximum amount We will pay under Section 1 for each Accessory, is the value of that Accessory shown in the Schedule. The Depreciation Rate will not apply to Accessories.

We will not pay for:

- any loss You suffer resulting from not being able to use Your Taxi or the Accessories, including Consequential Loss, inconvenience or other detriment of any kind;
- depreciation;
- Damage to Your Taxi or the Accessories caused by wear and tear, rust corrosion or other forms of gradual deterioration, or structural, mechanical, electrical or electronic failure or malfunction.

Definitions added to the wording.

### Consequential Loss

Consequential Loss means financial or non-financial consequential loss related to Your claim such as:

- lost profits or income because You can't use Your Taxi;
- loss due to delay in repairs because a part isn't readily available;
- any diminished value of Your Taxi after it's been properly repaired.



Has replaced:

We will not pay for:

- any loss You suffer resulting from not being able to use Your Taxi or the Accessories, including consequential loss, inconvenience or other detriment of any kind;
- depreciation;
- Damage to Your Taxi or the Accessories caused by wear and tear, rust corrosion or other forms of gradual deterioration, or structural, mechanical, electrical or electronic failure or malfunction.

## 2. Accident and Claims Procedure

### Section 2 – Third Party Liability

- If You receive a demand, summons or other legal notice arising out of an Accident, theft, Occurrence, attempted theft or incident of Damage involving or in connection with Your Taxi, You must forward it to Us **as soon as possible**.

Has replaced:

- If You receive a demand, summons or other legal notice arising out of an Accident, theft, Occurrence, attempted theft or incident of Damage involving or in connection with Your Taxi, You must forward it to Us **immediately**.

If you have any questions please contact your Marsh broker or our underwriting team.