

PRODUCT DISCLOSURE STATEMENT

This PDS and Policy Wording were prepared on 4 August 2017.

Part 1 - Product Disclosure Statement (PDS)

The PDS is designed to give you important information about your Policy and sets out the benefits, features and risks associated with the product, so that it can assist you to make a more informed decision before obtaining or purchasing the product. It is important that before you obtain or purchase this Policy you read and understand this Product Disclosure Statement (PDS). Please ensure that you keep this PDS and Policy document, the Policy Certificate and your receipt in a safe place for future reference or evidence.

Who is the Insurer for the Product?

The insurer is Berkley Insurance Company trading as Berkley Re Australia (the Insurer) ABN 53 126 559 706, AFSL 463129, St Martins Tower' Level 23, 31 Market Street, SYDNEY NSW 2000.

Who does Clarity Act for?

Clarity 2020 Pty Ltd (Clarity) is an authorised representative of Quantum Insurance Holdings Pty Limited (ABN 71 163 019 485, AFS Licence 451134) (Quantum). Quantum has an agreement with the Insurer with authority to issue, vary or cancel the Policy and deal with and process any claims on behalf of the Insurer. Clarity acts for Quantum and the Insurer, and not on your behalf. Clarity receives a commission from the Insurer in the range of 16% to 32% of the premium (excluding taxes and statutory charges) when you purchase the Policy.

Your Clarity 20/20 eyecare practice and your optometrist are each appointed as a distributor of Quantum and act as an agent for Quantum and the Insurer when issuing, varying or cancelling the Policy on your behalf. Your Clarity 20/20 eyecare practice may earn a commission when they issue the Policy and from time to time, their employees may earn incentives and bonuses based on their performance but not exclusively in relation to the sale of Policies.

If you have a complaint about the insurance services you receive from your Clarity 20/20 eyecare practice or your optometrist, contact Quantum Complaints Officer on email complaints@qua.net.au alternatively call +61 (0)8 9724 1555 Quantum will investigate the complaint and try to resolve it within forty five (45) business days of the date of receipt of your Complaint, provided we have all necessary information and have completed any investigation required.

Quantum is a member of the Financial Ombudsman Service (FOS), an external dispute resolution scheme which handles disputes about general insurance services. If you are unsatisfied with the manner in which they handle your complaint, you are entitled to take your complaint to FOS. Their contact details are on their website at www.fos.org.au or telephone 1800 367 287, or email info@fos.org.au You can access this scheme for free and any decision they make is binding on us but not on you.

Privacy - The information we require from you and how we use it

At Quantum we are committed to compliance with the *Privacy Act 1988 (Cth)*. Quantum uses your personal information to provide you with this insurance, and to assess and manage claims. Your information is collected by Clarity and your Clarity 20/20 eyecare practice on Quantum's' behalf. If you don't provide full information we may not be able to provide you with insurance or assess a claim.

Quantum will provide your information to the Insurer, Clarity 20/20 and your Clarity 20/20 eyecare practice in order to provide insurance and related services. The Insurer is dedicated to upholding your privacy and protecting your personal information and is bound in Australia by the *Privacy Act 1988 (Cth)* and its associated Australian Privacy Principles, along with any other applicable privacy laws and codes, when collecting, using, disclosing, holding, handling and transferring any personal information. The Insurer has ongoing practices, procedures and systems in place to ensure that it manages personal information in an open and transparent way. Clarity 20/20 may also provide your information to a contracted third party goods and services provider (e.g. repairers, lens/frame manufacturers and others involved in the claims management process) but will take all reasonable steps to ensure that they comply with the *Privacy Act 1988 (Cth)*.

Quantum's' Privacy Policy contains information about how you can access the information Quantum holds about you, ask us to correct it or make a privacy related complaint. Requests for access can be made in writing to The Privacy Officer, Quantum Insurance Holdings Pty Ltd, Unit 2 10 Cassowary Bend, Eaton, WA 6232. Email: reception@qua.net.au or by visiting our website (www.qua.net.au).

The Insurer's Privacy Policy can be accessed by visiting website <http://www.berkleyin.com.au/document> or calling Tel: +61 (0)7 3220 9900

Your Duty of Disclosure

Before you enter into a contract of general insurance, you have a duty under the *Insurance Contracts Act 1984 (Cth)* to disclose to the Insurer every matter that you know or could reasonably be expected to know that is relevant to the Insurer's decision whether to accept the risk of insurance and, if so, on what terms. You have the same duty to disclose those matters to the Insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however, does not require you to disclose any matter that diminishes the risk to be insured by the Insurer that is of common knowledge that the Insurer knows of or in the ordinary course of its business ought to know, or in respect of which the Insurer waives the requirement to comply.

Non - Disclosure

If you fail to comply with your duty of disclosure, the Insurer may be entitled to reduce its liability under the contract in respect of any claim or may cancel the contract of insurance. If your non-disclosure is fraudulent the Insurer may also have the option of avoiding the contract from the beginning.

Features and Benefits - What the Insurer Will Pay

The Insurer will pay you for the cost of repair or replacement of your glasses in the event of accidental damage, vandalism or theft, subject to the terms and conditions of the Policy. The Policy terms are contained in Part 2 of this Product Disclosure Statement.

The maximum amount the Insurer will pay to repair your glasses per claim or to replace your glasses is the purchase price of your glasses as evidenced on your original receipt. If your glasses are replaced as a result of a total loss, this Policy expires and you will need to purchase a new Policy to cover the new glasses. If repairing your glasses is economically viable the Insurer will repair your glasses. If your glasses are beyond economical repair, the Insurer will at its discretion replace them with glasses of identical prescription, type and quality. If an identical pair is not available then the Insurer will at sole discretion replace them with a pair of glasses of comparable specification or prescription up to the same value.

Significant Features

Other significant features of your Policy can be found by referring to the Policy wording in Part 2 of this PDS.

Policy Exclusions

The Policy does not cover glasses with an original purchase price exceeding \$1,999.00. The Policy only provides cover in respect of one (1) pair of glasses. To cover two (2) or more pairs of glasses, you will need to purchase a separate Policy for each pair.

The Insurer's liability under this Policy is excluded in certain circumstances, including but not limited to:

- deliberate damage or negligent care;
- fire, lightning or thunderbolt, earthquake, subterranean fire, or volcanic eruption;
- theft from any convertible motor vehicle where the roof is not closed in a secure position;
- exposure to UV light;
- contact with chemicals;
- changes to your prescription;
- design faults or defects;
- professional sport;
- boating, fishing, water sports, or skiing activities;
- where the glasses were left on a motorcycle, motor vehicle roof, bonnet or boot, or in some cases a convertible motor vehicle;
- damage caused whilst in handbags, schoolbags, backpacks, satchels, suitcases or luggage and alike if not stored within a suitable glasses case;
- delamination;
- scratching or damage caused by incorrect cleaning;
- war risks, terrorism, sonic boom and nuclear radiation; or
- normal wear and tear.

You should refer to the Policy wording in Part 2 of this PDS for a full list and details of the exclusions that apply.

Period of Cover

The Policy commences on the date shown on the Policy Certificate, which is the date of collection of your new glasses. You may select a Policy period of either twelve (12) or twenty-four (24) months. This will be shown on the Policy Certificate. The Insurer may choose to offer you a new Policy or renewal terms at the expiry of the Policy at their discretion.

What is the Cost?

The Policy premium is calculated taking into account a number of factors including the purchase price of your glasses, the manufacturer of the lenses and the frames and the buying group arrangements your optometrist has with Clarity 20/20. The premium includes all Government charges, taxes and GST. The premium payable, and the taxes and charges, will be shown on the Policy Certificate.

The amount of Policy premium payable by you will be calculated and notified to you before you purchase the Policy.

How to Make a Claim

If during the Policy period your glasses are stolen, vandalised or damaged by an event covered by this Policy, you should, within seven (7) days visit the Clarity 20/20 eyecare practice from which you purchased the glasses, or any practice within the Clarity 20/20 retail group in Australia, and (unless they have been stolen) take your glasses for assessment together with your Policy Certificate.

All repairs must be approved by Quantum and your Clarity 20/20 eyecare practice will check with the Insurer prior to any work being undertaken. Any repairs commenced without the prior approval of Quantum and your Clarity 20/20 eyecare practice will not be covered by this Policy.

What should I do if I have a complaint about a claim?

Any enquiry or complaint relating to this Policy including a decision about a claim should be referred to the Clarity 20/20 Complaints Manager in the first instance by emailing complaintsmanager@clarity2020.com.au

If this does not resolve the matter, or you are not satisfied with the way a complaint has been dealt with, the matter may be referred to Berkley Insurance Company trading as Berkley Re Australia Internal Dispute Resolution Committee for investigation and adjudication. All referrals should be submitted in writing:

By Email to: Complaints Manager sydney@berkleyinaus.com.au

By Post to:

Complaints Manager
Berkley Insurance Company
St Martins Tower
Level 23/31 Market Street
Sydney NSW 2000

Berkley Insurance Company trading as Berkley Re Australia will respond in writing within fifteen (15) working days. If you are unhappy with the Insurer's decision or your complaint is not dealt with by the Insurer within forty five (45) calendar days of first lodgement you may refer your dispute to the Financial Ombudsman Service (FOS). There is no charge for this service, and a decision of FOS is binding on us but not on you. You can contact FOS by calling 1300 780 808 or emailing info@fos.org.au. You can also write to FOS at GPO Box 3, Melbourne, VIC. 3001. This is a free service.

Cancellation

Cooling Off Period

If you cancel this Policy within fourteen (14) days of its purchase, the Insurer will refund the Policy premium that you have paid into your nominated bank account less any taxes or duties that cannot be recovered, unless you make a claim for something that happened prior to cancellation, in which case the Insurer will not provide any refund.

By You

You may cancel this Policy at any time by returning to your Clarity 20/20 eyecare practice to request a cancellation or by contacting Quantum by telephone + 61 (0)8 9724 1555. No refund of the premium is payable, except where you cancel within the cooling off period.

By Us

The Insurer may only cancel your Policy if you:

- a) make a misrepresentation to the Insurer before entering into your Policy; or
- b) fail to comply with the duty of disclosure or the duty of utmost good faith; or
- c) fail to comply with a provision or condition of the Policy; or
- d) make or attempt to make a fraudulent claim under this or any other insurance policy.

If the Insurer cancels your Policy, Quantum will give written notice to you personally or by email to your last known address. You will be entitled to a refund for the remaining period of cover less any authorised or paid claims.

Financial Claims Scheme

If APRA determines that the Insurer is insolvent, you are entitled to payment under the Financial Claims Scheme. Information about the scheme can be obtained on the APRA website located at <http://www.apra.gov.au> or on the APRA Hotline on 1300 55 88 49.

Part 2 - Policy Wording - Clarity 20/20 Glasses Insurance Policy - Adults

Clarity 20/20 Glasses Insurance Policy - Adults is only available on new glasses purchased in Australia from a participating optometry practice.

Words with specific meaning

Whenever the following words appear in these Policy terms and conditions, they always have the meaning specified below. These words appear in **bold** and black. Other words or phrases will have the usual meaning they have in the English language.

Accidental damage: physical damage to **your glasses** (excluding normal wear and tear) caused by an accident or a detrimental event.

Delamination: separation along a plane parallel to a surface, as in the separation of a coating from a lens or the layers of a coating from each other, or acetates in the case of glasses frames, a horizontal splitting, cracking, or separation.

Dispensing fee: the amount **you** must pay to **your** Clarity 20/20 eyecare practice as a **dispensing fee** for the repair or replacement of **your glasses** in the event of any claim being made under **this Policy**. This amount is specified in the **Policy Certificate**.

Period of cover: the period commencing on the date of collection of **your glasses** and ending either twelve (12) or twenty four (24) months from that date, as detailed in the **Policy Certificate**.

Policy Certificate: the certificate issued by your Clarity 20/20 eyecare practice when **you** acquire **your glasses** and **this Policy**.

Scratch:

- markings on the lens, or lenses or lens coatings as a result of light scratches, nicks, scuffs, scores, rubbing, or grazing; or
- damage as a result of being left in contact with any surface that can scratch the lenses; or
- negligent care or neglect.

Swirl: damage as a result of glasses being cleaned with a cloth that is not specified for the use of cleaning optical lenses.

Theft: dishonest appropriation of **your glasses** by another party with the intention of permanently depriving **you** of **your glasses**.

Vandalism: wilful or malicious destruction or defacement to **your glasses**.

We, Us, Our: Berkley Insurance Company trading as Berkley Re Australia (Berkley) ABN 53 126 559 706, AFSL 463129

You, Your: the person who has purchased the glasses and **this Policy**.

Your glasses: the single pair of dispensed glasses, or dispensed prescription sunglasses, (including the frame) as described on the **Policy Certificate**, but excluding non-prescription sunglasses and safety glasses.

Your Policy, this Policy: the terms and conditions of insurance set out in **this Policy** and the **Policy Certificate**.

What we cover:

In return for the premium paid, **we** will provide cover for **your glasses** during the **period of cover** subject to the terms and conditions and the exclusions set out below. The maximum amount **we** will pay is the invoice cost of **your glasses** inclusive of GST.

We will cover **accidental damage, vandalism or theft** of **your glasses** during the **period of cover** by paying for:

- repair costs if **your glasses** are damaged as a result of **accidental damage or vandalism**; or
- replacing **your glasses** with an identical pair of glasses in the event:
 - that **your glasses** cannot be repaired; or
 - of **theft**; or
- repairs that are not already covered by the manufacturer's guarantee, unless otherwise excluded under **this Policy**.

Should an identical pair of glasses not be available, **we** will at **our** sole discretion, replace them with a pair of glasses of comparable specification or prescription up to the same value as **your glasses**.

In the event of **accidental damage, vandalism or theft**, the cover **we** provide includes:

- refitting of lenses to **your glasses**, in the event of a lens/lenses becoming separated from **your glasses**; and
- worldwide cover up to sixty (60) days in any one (1) trip or journey away from **your** usual place of residence.

If **your glasses** were purchased as part of a second pair promotion, **we** will only provide cover for the second pair if **you** have purchased two (2) Clarity 20/20 Policies. **Your** second pair on a second pair promotion will be covered for repair or replacement up to the amount shown on the invoice for those glasses.

What we don't cover:

We will not pay for:

- Repair or replacement of **your glasses** caused by or due to:
 - deliberate damage by **you** or an immediate family member to **your glasses**; or
 - negligent care or neglect or not taking reasonable care of **your glasses**; or
 - loss or damage caused by fire, lightning or thunderbolt, earthquake, subterranean fire, or volcanic eruption; or
 - **theft** from any convertible motor vehicle where the roof is not closed in a secure position; or
 - ultraviolet exposure (U.V.), disintegration as a result of direct or indirect U.V. light; or
 - contact with chemicals, such as sun creams/screens, hair sprays/products and perfumes; or
 - repair or attempted repairs carried out by anyone who is not authorised by **us**; or
- Any costs associated with or in connection with any change in **your** optical description or prescription; or
- Any costs of or work carried out by persons other than the original practice or practice within the same retail group (unless agreement has been authorised by **us** to do so); or
- Costs due to or in connection to an inherent design fault, a manufacturer's defect or recall; or
- Any cost of repairs where the damaged parts are not returned; or
- Any loss over and above the cost of **your glasses**; or
- Damage whilst engaged in paid or professional sport; or
- Total loss as a result of boating, fishing, water sports, or skiing activities; or
- Loss or damage if or whilst **your glasses** were left on a motorcycle, motor vehicle roof, bonnet or boot; or
- Damage caused whilst in handbags, schoolbags, backpacks, satchels, suitcases or luggage and alike if **your glasses** were not stored within a suitable glasses case; or
- **Delamination**; or
- **Scratch** or **swirl** or everyday wear; or
- War risks, terrorism, sonic boom and nuclear radiation; or
- The amount of any **dispensing fee**; or
- Any costs or payments recoverable from any party, under the terms of any other guarantee, or non-insurance warranty.

Conditions

- **This Policy** is governed by the law of Queensland, and is subject to the exclusive jurisdiction of the courts of Queensland.
- The original receipt together with these terms and conditions act as proof of purchase for both **your glasses** and the **Policy Certificate**.
- **We** may cancel **this Policy** in any of the relevant circumstances set out in the *Insurance Contracts Act 1984 (Cth)* (as amended).
- **This Policy** cannot be transferred to another person or persons. It may be transferred to another new pair of **your glasses** that **you** own, but only with **our** prior written consent.
- If **you** receive a replacement pair of glasses because repairing **your glasses** is considered to be uneconomical or not possible, **we** may, at **our** sole discretion, take possession of the damaged glasses and dispose of them accordingly.
- **This Policy** automatically terminates upon the earlier of:
 - the expiry of the **period of cover**; or
 - if **your glasses** become subject to a total loss claim (requiring full replacement) and if **your glasses** are replaced as a result of a total loss a new Policy will be required to cover the replacement glasses.
- In the event of **theft** of **your glasses**, **you** must report the **theft** to the police within 24 hours on **your** discovery of such **theft** where possible.

Conditions Applicable to One (1) Year Policies Only

Dispensing Fees: In the event of a repair or total loss, a **dispensing fee** of \$30.00 will be levied by **your** Clarity 20/20 eyecare practice following acceptance of **your** claim. This fee is not covered by **this Policy** and will be payable by **you** to the practice prior to the release of **your glasses**.

Conditions Applicable to Two (2) Year Policies Only

Dispensing Fees: There is no **dispensing fee** payable in the event of a repair.

In the event of a total loss, a **dispensing fee** of \$30.00 will be levied by **your** Clarity 20/20 eyecare practice following acceptance of **your** claim. This fee is not covered by **this Policy** and will be payable by **you** to the practice prior to the release of **your glasses**.

Clarity 2020 Pty Ltd

ABN 52 609 152 847 Corporate Authorised Representative Number 001256518

Authorised Representative of Quantum Insurance Holdings Pty Limited AFS Licence Number 451134