

Construction Machinery Warranty - Product Disclosure Statement

Product Disclosure Statement

This Product Disclosure Statement (PDS) describes the benefits, Exclusions and cost of this Construction Machinery Warranty, as well as information about your rights if you decide to purchase the Warranty. You should read it carefully before deciding to buy the Warranty. Neither we nor our Authorised Representatives can advise you on whether the Warranty is suitable for your particular needs.

This Warranty is a financial product issued by Davantage Group Pty Ltd, trading as National Warranty Company (NWC). It is not the same as the warranties and guarantees that your motor dealer is required to provide in relation to the Machine under the Competition and Consumer Act 2010 (Australian Consumer Law) and State and Territory legislation. You can still pursue your rights under those laws and you are not required to pay for the consumer guarantee and warranties you have under those laws.

Who is National Warranty Company?

National Warranty Company (NWC) is the trading name of Davantage Group Pty Ltd ABN 35 161 967 166 which is the product issuer for the Warranty. This means that we are responsible for the payment of any claims you make under the terms of the Warranty and not the Authorised Representative who sold you your Warranty.

We, Davantage Group Pty Ltd, hold an Australian Financial Services (AFS) Licence which authorises us to deal in, and provide general advice on, Construction Machinery Warranties. Our AFS Licence number is 438157.

We have a number of Authorised Representatives who are authorised through our AFS Licence to provide general advice on, and to deal in the Warranty.

Warranty Overview

This Warranty is a discretionary risk product. For more details see Section 11. This Warranty is designed to reduce the financial impact of unexpected mechanical or electrical failure to the Machine by providing parts and labour cover on Covered Components as listed in Section 3.

Please read this document for full terms, conditions, Covered Components, Financial Limits and Exclusions.

1. Definitions

“Additional Benefits” these are benefits in addition to the rights and remedies available under the Australian Consumer Law.

“Authorised Representative” means the representative of NWC who is authorised to give general advice on, and deal in, warranty products on behalf of NWC and who is named on the Customer Contract & Declaration.

“Consequential Loss” means any damage caused to additional Construction Machinery parts or components as a result of the initial failure of an Construction Machinery part or component.

“Construction Machinery” and **“Machine”** means the Construction Machinery described in the Customer Contract & Declaration.

“Construction Machinery Warranty” and **“Warranty”** means the Warranty issued by us.

“Covered Components” means those Machine components and parts described in Section 3 of this document.

“Customer Contract & Declaration” means the Customer Contract & Declaration completed by you and our Authorised Representative which sets out the particular details of your Warranty Contract.

“Exclusions” refers to parts or components of the Machine which are not covered under this Warranty Contract. It also refers to situations or circumstances which will not be covered under this Warranty Contract. These are set out in Section 9.

“Financial Limits” means the Financial Limits for claims relating to Covered Components as referred to in Section 3 and Section 4.

“Manufacturer’s Warranty” means a Warranty provided by the manufacturer of your machine;

“Market Value” is the trade value of the Machine at the time of the claim.

“Mechanical Failure” means the sudden and unforeseen failure of any Covered Component to perform the function for which it was designed, but does not include:

- any failure of the Covered Component due to Normal Wear & Tear, normal deterioration, negligence; or
- any failure of Machine components/parts that have reached the end of the normal working life because of age or usage.

“Normal Wear & Tear” means the gradual reduction in a Covered Component’s operating performance or ability to perform the functions for which it was designed, taking into account the Machine’s age and hour operated.

“NWC” refers to National Warranty Company which is the trading name of the Warranty issuer, Davantage Group Pty Ltd ABN 35 161 967 166.

“Warranty Contract” means this document and the completed Customer Contract & Declaration.

“Warranty Cost” means the amount payable by you to purchase the Warranty Contract for the Warranty Term.

“Warranty Term” means the period beginning on the date the Warranty Contract commences as shown on the Customer Contract & Declaration and ending on the date the Warranty Contract expires.

“we”, “us”, “our” means Davantage Group Pty Ltd ABN 35 161 967 166 trading as National Warranty Company.

“you”, “your” means the person named in the Customer Contract & Declaration as the purchaser and owner of the Machine.

Construction Machinery Warranty - Product Disclosure Statement

2. Warranty Options

2.1 Warranty Options

You have six (6) options when selecting a Warranty for your Machine. Each option offers different levels of cover for the various Covered Components. You should consider which level is most appropriate in your circumstances. Your Authorised Representative and NWC cannot advise you on whether the Warranty option suits your personal circumstances - you must decide for yourself. (See table right).

2.2 As a precondition to a Warranty purchase, the Machine must

- be mechanically sound at the time of Warranty purchase;
- Be purchased from an authorised dealer;

2.3 The Warranty will come into effect 90 days after you sign the Customer Contract & Declaration. Once the Warranty Cost has been fully paid and has been accepted by NWC, the Warranty Contract will continue for the period specified in the Customer Contract & Declaration, provided that all terms and conditions are complied with. If the Machine is covered by any Manufacturer's Warranty or dealer warranty, this Construction Machinery Warranty will commence on the day following the expiry of that warranty.

2.4 The available Warranty Terms are 3, 6, 12 and 24 months.

Plan A	Available for Machines up to 10 years of age
Plan B	Available for Machines up to 8 years of age
Plan C	Available for Machines up to 8 years of age
Plan D	Available for Machines up to 8 years of age
Plan E	Available for Machines up to 6 years of age
Plan F	Available for Machines up to 6 years of age

3. Covered Components

The Covered Components and Financial Limits (inclusive of GST) are listed in the table below. NWC will only pay to repair the Machine to a condition consistent with its age, condition and hours operated. All claims will be paid up to the limits as shown in this table. Any component not listed in the table below is not covered. The total value of claims is not to exceed the Market Value of the Machine at the time of the most recent claim.

Covered Components	Plan A	Plan B	Plan C	Plan D	Plan E	Plan F
Engine: Pistons, piston rings, cylinder sleeves, main bearings, con rods, con rod bearings, oil pump, push rods, camshaft bearings, camshaft and crankshaft. Cylinder block and head only if damaged by failure of any of the above covered components.	\$3,000	\$5,000	\$10,000	\$15,000	\$20,000	\$25,000
Powertrain Gearbox/Hydrostatic Transmission: Internally lubricated components of both manual and automatic transmissions and transfer case.	\$1,500	\$3,000	\$5,000	\$7,500	\$10,000	\$12,500
Differential: Internally lubricated components.	\$1,500	\$3,000	\$5,000	\$7,500	\$10,000	\$12,500
Final Drive: Hydraulic motor.	\$1,500	\$3,000	\$5,000	\$7,500	\$10,000	\$12,500
Hydraulic Components: Hydraulic pump motor and control valves.	\$1,500	\$3,000	\$5,000	\$7,500	\$10,000	\$12,500
Cooling: Water pump	Not Covered	Not Covered	\$1,500	\$3,000	\$4,000	\$5,000
Electrical: Starter motor, alternator, generator, voltage regulator.	Not Covered	Not Covered	\$1,500	\$3,000	\$4,000	\$5,000
Brakes: Master cylinder and power booster.	Not Covered	Not Covered	\$1,500	\$3,000	\$4,000	\$5,000
Turbo Charger: Impellers and bearings.	Not Covered	Not Covered	\$1,500	\$3,000	\$4,000	\$5,000
Computer: Electronic Engine Management (EEM) Unit.	Not Covered	Not Covered	\$1,500	\$3,000	\$4,000	\$5,000
Radiator: Leaks due to split or fractured tank only.	Not Covered	Not Covered	\$1,500	\$3,000	\$4,000	\$5,000
Steering: Internally lubricated components of the steering rack, steering box, power steering pump, hand metering unit (HMU), steering cylinders.	Not Covered	Not Covered	\$1,500	\$3,000	\$4,000	\$5,000

Construction Machinery Warranty - Product Disclosure Statement

4. Additional Benefits

4.1 Transfer of Warranty

If you sell the Machine, we may in our absolute discretion (but acting reasonably at all times), permit the transfer of your Warranty Contract to the new purchaser unless NWC reasonably considers that you have not complied with the provisions of the Warranty Contract.

In order to validate the transfer you must, within seven (7) days of the sale of the Machine, provide NWC with:

- A satisfactory mechanical inspection from an approved NWC repairer; and
- The transfer fee of \$100.00; and
- A completed Transfer of Ownership form which can be downloaded from www.nwc.com.au or by contacting NWC on 1800 888 760.

The Warranty cannot be transferred to another Machine.

4.2 Ease of Claim Lodgement

In the event of a claim, simply contact NWC prior to the commencement of any repairs. It is not necessary to fill out any claims forms.

4.3 Speedy Claim Assessment

Claims are assessed during normal working hours within four (4) hours of NWC receiving a satisfactory report and quote for the repair.

4.4 No limit to the number of Claims

There is no limit to the number of claims made under the Warranty Contract during the Warranty Term.

4.5 Quality Guarantee

If your Machine suffers a failure during the Warranty Term, any authorised repairs carried out under the Warranty Contract will be covered for the remaining Warranty Term.

5. What are your obligations under the Warranty?

From the date your Warranty commences, you must comply with the following conditions. Failure to comply with these conditions may invalidate a claim.

- 5.1 Servicing Requirements** - You must have the Machine serviced in accordance with the terms and conditions of the Warranty by a registered service centre. Servicing must be carried out as per the Manufacturer's Guidelines (please refer to the original Manufacturer's Warranty document).
- 5.2 Coolants and Lubricants** - must be checked and maintained regularly.
- 5.3 Service Invoice Records** - To assist with prompt claims assessment please ensure you forward each service invoice (copy/original) to NWC detailing: the Machine's serial number, your name and address, hours operated at the time of service, the work performed, and the Warranty Contract number.

Service invoices can be uploaded direct to NWC via our website www.nwc.com.au/home.html. Alternatively you can post or email the invoices to NWC (see Section 15).

The processing of your claim may be delayed or declined if we do not have invoices detailing the service history of the Machine. Further, we will not be liable or responsible for loss, damage, expenses or other liability you may incur as a result of any delays relating to the repair of your Machine which is caused due to delays in obtaining parts and/or materials required.

5.4 Operation - The Machine must at all times be operated in accordance with the manufacturer's instructions and in a manner consistent with the Machine's design and specifications.

5.5 Minimise Damage - You, or any other person in control of the Machine, must take all reasonable precautions to minimise damage to the Machine and/or the Covered Components when you or they suspect a Mechanical Failure may have developed.

6. Warranty Cost and Tax Implications

6.1 How much does the Warranty Cost?

The maximum cost of the Warranty is the total cost set out below, inclusive of GST. The total cost includes your Authorised Representative's commission. (See the Financial Services Guide for details).

PLAN	3 Months	6 Months	12 Months	24 Months
Plan A	\$985	\$1,235	\$1,735	\$2,485
Plan B	\$1,485	\$1,735	\$2,235	\$3,235
Plan C	\$1,735	\$2,485	\$3,235	\$4,985
Plan D	\$2,485	\$3,985	\$4,985	\$7,485
Plan E	\$3,735	\$5,485	\$7,485	\$11,235
Plan F	\$5,485	\$6,985	\$9,985	\$14,985

6.2 Tax Implications

The taxes and charges that apply to the Warranty will be shown on the Customer Contract & Declaration issued by your Authorised Representative. The Financial Limit for each Covered Component includes any GST payable for repairs and replacement.

Construction Machinery Warranty - Product Disclosure Statement

7. Making a Claim

- 7.1 Read this PDS to find out if your claim may be covered.
- 7.2 Contact NWC on 1800 888 760 for the location of your nearest approved repairer.
- 7.3 The Warranty does not cover any repairs commenced without pre-approval from NWC. An authorisation number must be issued by NWC to the repairer.
- 7.4 It is your responsibility to authorise and pay for any diagnosis necessary to determine if the problem falls within the terms of the Warranty. If the claim is authorised by NWC, the reasonable cost of the diagnosis will be included in the claim (up to the appropriate claim limit).
- 7.5 After the problem has been diagnosed, the authorised repairer will contact NWC, quoting your Warranty Contract number, current hour meter reading of the Machine, a description of the problem, the repairs required, and the estimated cost of repairs. NWC will then make a decision about whether to exercise its discretion in your favour or not. NWC may inspect your Machine before authorising repairs.
- 7.6 You will be required to contribute to the cost of coolants, lubricants and machining.

8. Ineligibility

- 8.1 You may be ineligible to make a claim, or we may decline a claim under the Warranty if:
- You fail to minimise damage to the Machine by continuing to operate the Machine when damage to any of the Machine's components is suspected;
 - Repairs are commenced or carried out without the express authority of NWC;
 - You fail to provide proof of payment for services if required;
 - You fail to comply with the servicing requirements in respect of the Machine as specified in Section 5.
- 8.2 If upon assessment of your claim, NWC discovers that you are in breach of your servicing requirements, you will be ineligible to claim for that specific repair or any faults whilst in breach of your service obligations. If this should occur, you will be responsible for the repair cost yourself, however, you will still be able to use our extensive network of approved repairers to ensure an efficient and cost effective repair process.
- 8.3 Should you be in breach of your servicing obligations, in order to make claims under the Warranty in the future, you must submit to NWC a satisfactory mechanical inspection from an approved NWC repairer as evidence that the Machine is in good working order. The repair/inspection invoice date and hours operated will be considered the "recommencement" date for calculating servicing obligations for the remainder of the Warranty Term.

9. What we won't pay for

We will not pay for repair or replacement in the following circumstances:

Any components NOT listed in Section 3;

Abuse - Repair or replacement required due to misuse, neglect or abuse of the Machine;

Accident - Damage attributed to impact or accident;

Certain Uses - Damage to, or repairs of, Machine's that has been caused by exceeding the manufacturer's operating limitations;

Consequential Loss - Any Consequential Loss or damage of any kind;

Continued Use - Any repairs required as a result of the continued operation of the Machine once a defect or fault has occurred;

Damage - caused by incorrect tuning, detonation or over-boosting, incorrect battery charging or jump starting;

Failure To Follow Servicing Requirements - If you do not comply with the servicing requirements listed in Section 5;

Faults & Recalls - Failure caused by faulty design (common faults) or any expense arising from, or due to, the recall of the Machine by the manufacturer;

Fire - Repair or replacement for damage caused by fire;

Modifications - Any failure as a result of alteration or modification to the manufacturer's specifications;

Negligence - Any failure caused by negligence or misuse. Any Mechanical Failure due to a lack of coolant, loss of lubricant, restricted oil pickup, excessive use of oil, or overheating;

Normal Maintenance - Any parts that would normally be regarded as adjustments, calibrations, alignment, machining, servicing and/or maintenance related items;

Normal Wear & Tear - Any component failure attributed to Normal Wear & Tear, or any components/parts that are replaced at the time of the repair, which have not actually failed;

Personal Injury/Property Damage - Any liability for death, bodily injury, or damage to property;

Pre-existing Defects - Defects existing at the time the Warranty came into effect;

Rust/Contamination - Failure caused by rust or corrosion of any kind or by contaminated fluids;

Seals & Gaskets - Repair or replacement of seals, gaskets or any component/part damaged due to their failure;

Submersion - Machines that have been submersed in water;

Specific Exclusions - burnt/worn friction plates, axles, drive shaft, wheel bearings, electrical connectors or wiring harness, steering cylinder hoses and fittings.

Theft - The Warranty does not cover against theft;

Unauthorised Repairs - Any claims where you have not contacted NWC prior to the commencement of any repairs where NWC has not issued a work authorisation number.

Construction Machinery Warranty - Product Disclosure Statement

10. Cancellation

- 10.1 You may cancel your Warranty Contract at any time by writing to NWC.
- 10.2 We may cancel the Warranty Contract if you, or a person acting on your behalf, provide a false or misleading statement or information in relation to a claim, if the Machine's hour meter has been tampered with or is defective.

11. Are there any significant risks relating to the Warranty?

11.1 Discretionary Risk Product

The Warranty is a discretionary risk product. This means that you are entitled to have your claim for assistance heard, but that NWC is not obliged to pay all claims that come within the terms and conditions of the Warranty. You are entitled to have NWC decide whether or not to pay the entire claim or to make a contribution to your claim.

We will always consider the merits of your claim when making this decision to ensure that we exercise our discretion in a fair or just way. If we decide not to pay your claim, you will be responsible for the repair costs yourself. Because NWC retains the discretion regarding the payment of claims, NWC may also decide to contribute to or pay entirely for repairs that do not come within the terms and conditions of the Warranty.

Because the Warranty is a discretionary product, it does not offer the same level of protection that an insurance policy may give you. Davantage Group Pty Ltd is not an insurance company and we are not required to maintain the same financial resources that an insurance company does. We do meet the 'financial resources' licence condition attached to our AFS licence.

11.2 Financial Limits

There is a risk that one or more of your claims may exceed the Financial Limit for each Covered Component if the cost of the repairs exceeds the limit stated for that Covered Component. You should take care to ensure you purchase a Warranty option that offers you the level of protection you are likely to require.

11.3 Complying with the Warranty Conditions

There is also a risk that if you fail to meet any of the conditions attached in the Warranty, we will not exercise our discretion in your favour and you may be ineligible to make a claim. You will be responsible for the repair costs for any Mechanical Failure that occurs during this period.

12. Your Privacy Rights

NWC is committed to protecting your privacy. We only use the personal information you provide to issue your Warranty and pay any claims you make. We only provide personal information to those we engage to assist with servicing and claims. In providing products and services to you, we may also share your personal information with our trading divisions, associated entities and related bodies corporate. Please contact us if you do not wish this to happen.

We will not trade, rent or sell your information. If you don't provide us with complete information, we cannot provide the Warranty. You can check the personal information we hold about you at anytime.

If you provide us with personal information about anyone else, we rely on you to tell them that you will give us their information, tell them who we give it to, the purpose for which we will use it and how they can access it. If the information is sensitive, we rely on you to have obtained their consent on these matters. For more information about our Privacy Policy, ask us for a copy.

13. Dispute Resolution

We have an internal procedure for dispute resolution so that if at any time you wish to make a complaint about our services, products or any decision we made regarding a claim, you can contact our Complaints Officer on 1800 888 760. We will acknowledge receipt of your complaint within ten (10) business days, and attempt to resolve it within a further ten (10) business days.

Davantage Group Pty Ltd is a member of the Financial Ombudsman Service (FOS), an external dispute resolution scheme. It provides a free and independent dispute resolution service for customers who have disputes falling within its terms of reference. If you are dissatisfied with our response to any complaint you may refer the dispute to FOS. Any decision FOS makes is binding on us but not on you.

The FOS contact details are:

The Financial Ombudsman Service
GPO Box 3,
Melbourne, Victoria 3001
Local call: 1300 78 08 08
Web: www.fos.org.au

14. Governing Law and Jurisdiction

These Warranty terms are governed by the law of the State of Victoria and the Courts in that State have jurisdiction in any dispute arising under your Warranty.

This PDS was prepared on 20th August 2013 by
Davantage Group Pty Ltd ABN 35 161 967 166 AFSL 438157

15. Contact Us

National Warranty Company
PO Box 9091,
Traralgon, Victoria 3844

Phone: 1800 888 760
Fax: 03 5177 4050
Email: warranty@nwc.com.au
Web: www.nwc.com.au

Service Advice Records

Service Advice .1

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

1

Service Advice .2

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

2

Service Advice .3

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

3

Service Advice .4

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

4

Service Advice .5

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

5

Service Advice .6

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

6

Service Advice Records

Service Advice .7

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

7

Service Advice .8

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

8

Service Advice .9

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

9

Service Advice .10

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

10

Service Advice .11

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

11

Service Advice .12

To the Service Centre/Repairer: In the best interests of your customer, please fill out all the information below.

Invoice /Job No: _____

Registration No: _____

Hour meter: _____

Date: _____

REPAIRER/SERVICE CENTRE STAMP:

12