



CARAVAN AND TRAILER INSURANCE

WITH RACT INSURANCE



Product Disclosure Statement
13 27 22 | ract.com.au

INSURANCE by 

The insurer of this product is RACT Insurance Pty Ltd ABN 96 068 167 804 AFS License No '229076.
The Royal Automobile Club of Tasmania Limited ABN 62 009 475 861 acts as an agent for RACT Insurance Pty Ltd, not as your agent.

RACT Insurance Pty Ltd

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This PDS came into effect on the 1st June 2019.

RACT Insurance Caravan and Trailer Product Disclosure Statement

If you're about to read this Product Disclosure Statement ('PDS' for short but commonly referred to in this document as the 'policy') because your caravan or trailer has been damaged or stolen, and you haven't already called us, please do so now on 13 27 22. That's the very best way of getting the help you need as quickly as possible.

However, whether or not you've made or are about to make a claim, it is still a good idea to better understand the cover and benefits your RACT Caravan or Trailer Policy provides, the conditions under which they are provided, and what we don't cover.

Cover for your caravan or trailer

This policy covers caravans, trailers, slide-on campers and camper trailers. Unless they are specifically identified, they are referred to as caravans or trailers throughout this policy.

Our **caravan and trailer covers** insure any loss or damage caused:

- by accidental damage to your caravan or trailer;
- to your caravan or trailer when it has been stolen;
- by the use of your caravan or trailer to another person's property.

Full details are provided on [pages 6 to 8](#).

Limits and exclusions

The cover we provide is subject to monetary limits, conditions and exclusions. You should read this PDS carefully in conjunction with your current schedule.

Getting started

To get you started, here's a quick guide. Click on the links below:

Cover	Caravan or Trailer	Page No
Damage to your caravan or trailer		6
Legal liability	 (up to \$20 million)	6
Contents	 (up to \$1,500)	8
Emergency repairs	 (up to \$500)	7
Transportation	 (reasonable cost)	7
Replacement caravan or trailer	 (up to 14 days)	8

Contents

Limits and exclusions	2	About your premium	12
Getting started	2	How we calculate your premium	12
Claim on your policy	4	Why the cost of insurance can change	12
Excesses	4	Special offers	12
You will not have to pay an excess for claims resulting from	4	Paying your premium	13
When your caravan or trailer has been damaged	5	Payment in full	13
Guaranteed repairs	5	Payment by instalments	13
What we cover as your caravan or trailer	5	Payment schedule	13
Geographical limits	5	Renewal payment by instalments	14
What your policy covers	6	Changing your arrangement with us	14
Loss or damage to your caravan or trailer	6	Overdue payments	14
Loss or damage to another person's property – your legal liability	6	Important general information	15
When we declare your caravan or trailer a total loss	7	Our agreement with you	15
Transportation of your damaged caravan or trailer	7	More than one insured	15
Emergency repairs	7	Changes to your policy	15
Your caravan's contents	8	Notices	15
Your replacement caravan or trailer	8	Your Duty of Disclosure	16
Your policy does not cover	9	Cooling-off period	16
We may refuse a claim and cancel your policy if	10	Cancelling your policy	16
When you make a claim	11	Co-operation	17
About No Claim Bonuses	11	Goods and Services Tax (GST)	17
Your No Claim Bonus	11	Updating our PDS Definitions	18
Some types of claims do not affect your No Claim Bonus	11	The General Insurance Code of Practice	20
		How we resolve complaints	20
		Financial Claims Scheme	21
		Privacy of personal information	21

Claim on your policy by calling us on 13 27 22

We understand that having your caravan or trailer damaged or stolen is a stressful experience – we can answer all your questions and help you with everything that needs to be done.

Call us as soon as possible if your caravan or trailer has been:

- damaged and/or has caused damage to another person's property;
- stolen – report the theft immediately to the police and us.

You can help us by noting the details of the incident. Other than telling us what happened, the most important details we need are:

- the registration number of any other vehicles involved; and
- the names, addresses and phone numbers of their drivers, the owners of any other property damaged and any witnesses.

Excesses

An excess is the amount you must contribute towards each claim. The excesses we apply are:

- **Basic Excess** – applies to all claims.
- **Age Excess** – applies based on the driver of the vehicle towing the caravan or trailer at the time of the incident.
- **Additional Excess** – may be applied when some aspects of the caravan or trailer or drivers to be insured fall outside our normal underwriting guidelines.

We will tell you if any excesses apply to your claim and, if so, whether payment is to us, to the repairer or whether we will deduct it from any amount we pay you.

You will not have to pay an excess for claims resulting from:

- incidents involving another vehicle where we agree the driver of the other vehicle is at fault;
- the theft of your caravan or trailer;
- malicious damage to your caravan or trailer;

and you can provide us with the name, address and registration number of the person responsible.

For all other claims, any excesses that apply must be paid by you.

When your caravan or trailer has been damaged

When your caravan or trailer has been accidentally damaged in an incident covered by your policy, at our option we will, either:

- repair your caravan or trailer; or
- pay you the cost of repairing your caravan or trailer; or
- declare your caravan or trailer a total loss.

If your caravan or trailer can be safely repaired we will choose the repairer and ensure that the repair is properly completed.

You must:

- make your caravan or trailer available to us if we require it;
- not carry out or have any repair work carried out without our prior authorisation other than **'Emergency Repairs'** – see [page 7](#).

Guaranteed repairs

We guarantee the quality of the materials and workmanship used in repairs we authorise for as long as you own your caravan or trailer. We will rectify any problems arising from the repair that we agree have been caused by faulty materials or workmanship.

What we cover as your caravan or trailer

The caravan or trailer covered by this policy is the caravan or trailer described on your current schedule. It includes options, accessories and any modifications fitted to the caravan or trailer.

Geographical limits

This policy covers you for an incident occurring within Australia.

What your policy covers

Loss or damage to your caravan or trailer

We cover: Loss or damage caused by:

- accidental damage, including:
 - damage caused by the driver of another vehicle, including damage caused by an uninsured driver;
 - a fire or weather incident;
 - malicious damage by a person other than you or your family;
- theft, including:
 - if your caravan or trailer is stolen and not recovered or recovered in a damaged condition.

Limit: We will pay up to the Agreed Value.

We do not cover:

- an annexe not attached to your caravan or not securely locked in your caravan or car;
- the contents of your trailer;
- bushfire or flood for the first 48 hours after the start of your policy unless:
 - you bought the caravan or trailer in the 24 hours before the policy commenced; or
 - your policy commenced immediately after another policy covering the same risk expired, without a break in cover.
- any increases in the Agreed Value for the first 48 hours when the loss or damage is due to bushfire or flood.

Note: We will at our option, either:

- repair your caravan or trailer;
- pay you the cost of repairing your caravan or trailer; or
- pay you its Agreed Value.

Loss or damage to another person's property – your legal liability

We cover: Your legal liability for accidental damage to another person's property arising from the use of your registered caravan or trailer.

Limit: We will pay up to \$20,000,000 for all claims arising from the one incident including the legal costs of defending any claims against you provided we appoint the solicitors.

We do not cover:

- you for property you own, or are responsible for, or which belongs to someone who normally lives with you;
- legal liability for death or bodily injury.

What your policy covers (continued)

Note:	We will also cover: <ul style="list-style-type: none">• another person's legal liability when using your caravan or trailer with your permission providing the person is someone we would ordinarily insure.
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When we declare your caravan or trailer a total loss

Limit:	The most we will pay is the Agreed Value.
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Note:	When we make our payment your policy comes to an end. Our payment will be less any excesses, any unpaid portion of your premium and the unused portion of your registration. Your caravan or trailer including any options or accessories fitted to it becomes our property.
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Transportation of your damaged caravan or trailer

We cover:	When we accept a claim for loss or damage to your caravan or trailer, we will also pay transportation costs when your caravan or trailer has been: <ul style="list-style-type: none">• damaged and cannot be safely towed by your car;• recovered in a damaged condition after being stolen.
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Limit:	Reasonable costs.
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Note:	This benefit is paid in addition to the Agreed Value.
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Emergency repairs

We cover:	Emergency repairs you authorise to your caravan or trailer after it has been accidentally damaged and the repairs enable it to be safely used or moved.
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Limit:	Up to \$500.
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Note:	This benefit is paid in addition to the Agreed Value.
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What your policy covers (continued)

Your caravan's contents

We cover: Household goods and personal belongings inside your caravan or fully enclosed annexe attached to your caravan, accidentally damaged or lost in an accident or theft for which we have accepted your claim.

Limit: Up to \$1,500 in respect of each incident.

We do not cover:

- your caravan's fittings;
- pets, livestock and domestic animals;
- cash, documents, gift vouchers and other negotiable items;
- any water sports or other sporting equipment;
- bicycles, tricycles or scooters;
- motor vehicles, trailers, aircraft, aerial devices, or any associated equipment;
- tools or equipment used in any business, trade or profession.

Note: We may require proof of ownership and evidence as to the extent of loss or damage when you claim on this benefit.

We do not cover theft if there are no signs of forcible or violent entry.

Your replacement caravan or trailer

We cover: When you replace your current caravan or trailer, this policy will cover the replacement caravan or trailer from the time you buy it provided:

- the replacement caravan or trailer is one we ordinarily insure;
- you pay us any additional premium we may charge for its make and model;
- you accept any special conditions we may apply because of its make and model.

Cover for your current caravan or trailer ends at the time you buy the replacement caravan or trailer.

You must advise us of its details within 14 days of buying it.

Limit: The Agreed Value for your replacement caravan or trailer will be its Market Value or the price you paid for it, whichever is the lesser.

Your policy does not cover:

- mechanical, structural, or electrical failures;
- tyre damage caused by road conditions, punctures, bursting or braking;
- the cost of international air freight for parts, paint or accessories required for the repair of your caravan or trailer when they are not ordinarily available within Australia;
- a semi-trailer (or any part of one), motorised caravans, campervans or motorhomes;
- an annexe not attached to your caravan or securely locked in your caravan or car;
- any decrease in the value of your caravan or trailer after it has been properly repaired by us;
- depreciation, wear, tear, rust or other forms of corrosion;
- loss, damage or liability arising:
 - outside Australia;
 - from incidents occurring outside the period of insurance;
 - if you fail to secure your caravan or trailer or have it transported to a safe place after it has broken down or been damaged;
 - because you cannot use your caravan or trailer;
 - if your caravan or trailer was being used in a race, trial, test or contest, or while on
 - a race track, circuit or any track set aside for racing or time trials but not if you are participating in a defensive or advanced driving course at the time;
 - from the lawful seizure, confiscation, nationalisation, requisition or destruction of your caravan or trailer;
 - from an intentional act by you, your family or a person acting with your consent;
- loss, damage or liability caused by, arising directly or indirectly from or in any way connected with:
 - the use, existence or escape of nuclear fuel, material or waste;
 - the use, existence or escape of asbestos, asbestos fibres or any derivatives of asbestos;
 - any war, invasion, or acts of foreign enemy or hostilities whether war has been declared or not;
 - any act of terrorism.

We may refuse a claim and cancel your policy if:

- you do not fully co-operate with us regarding your claim;
- you are not truthful, accurate and frank in any statement you make in connection with a claim;
- you do not keep the insured caravan or trailer in good order and repair;
- your caravan or trailer is used (or let) for business purposes unless you have told us about the business and we have agreed to insure your caravan or trailer for business use. See Private Use and Business Use on pages 18 and 19;
- the driver of the vehicle towing your caravan or trailer:
 - was not licensed to be driving unless we agree you had no reason to suspect that the driver was unlicensed;
 - was under the influence of alcohol or of any drug and this contributed to the accident;
 - had a blood alcohol level over the legal limit in the State or Territory where the accident occurred;
- you or someone on your behalf modifies your caravan or trailer unless you have told us about the modification and we have agreed to it and you have paid any additional premium required;
- you do not immediately make a report to the police if you know or suspect that there has been theft or attempted theft of your caravan or trailer, part of your caravan or trailer or the contents of your caravan;
- your caravan or trailer was:
 - loaded contrary to law;
 - being let on hire;
 - being used in an unsafe condition;
 - being towed in a reckless manner.

When you make a claim

You or any other person covered by your policy must not make admissions, settle, attempt to settle or defend any claims without our consent. We have the sole right to make admissions, to settle any claims against and to defend you or any other person covered by your policy in any proceedings.

Before we make a decision about your claim, we may assess the damage to your caravan or trailer and investigate the circumstances of the claim. If we require it, you must make your caravan or trailer available to us for inspection and, in all cases, co-operate with our investigators.

Where you are claiming for loss of or damage to contents in your caravan, we may require proof of ownership and evidence as to the extent of loss or damage.

If you will be making a GST input tax credit claim, please see page 17 for further information.

We will tell you if one or more excesses are payable.

About No Claim Bonuses

Your No Claim Bonus

Your No Claim Bonus is a discount on the premium payable and is shown on your current schedule. For each year you do not claim on your policy, the discount increases until it reaches a set maximum.

Some types of claims do not affect your No Claim Bonus

Your No Claim Bonus will not be affected if:

- you are involved in an accident where we agree the driver of the other vehicle is at fault, and you can tell us the name and address of the driver who was at fault and the registration number of the vehicle they were driving;
- your claim is for malicious damage or theft of your caravan and trailer, and you can tell us the name and address of the person responsible for the damage to your caravan and trailer.

For all other claims your No Claim Bonus will be affected.

About your premium

How we calculate your premium

When we calculate your premium, we take a number of factors into account including, but not limited to:

- the period of insurance;
- the make, model and year of the insured caravan or trailer;
- the address where you normally keep the insured caravan or trailer;
- the security measures you have in place;
- the caravan or trailer's Agreed Value;
- the excesses payable by you in the event of a claim;
- your previous insurance and driving history; and
- your other RACT Insurance policies, if any.

The total premium payable by you also includes compulsory government charges (including duties and GST). The details are shown on your current schedule.

Why the cost of insurance can change

Each time you renew your insurance, your premium is likely to change, even if your personal circumstances have not changed. The premiums we charge are affected by factors including:

- the cost of claims we have paid;
- the expected cost of future claims;
- any effect from a claim you have made;
- any changes in government taxes and charges; and
- our business administration costs.

Special offers

The special offers and benefits we advertise from time to time may not be detailed in this policy. Details are available from us on request. The offers may be withdrawn at any time.

Paying your premium

At our option, you may pay your premium annually or in instalments.

Payment in full

If your premium is not paid by the due date, you may not be covered for any claims.

Payment by instalments

- We accept payment by instalments at our option.
- At our option you may pay your premium in instalments by credit card payments or by direct debit from your financial institution.
- If you pay by instalments a surcharge on your premium may apply. If applicable it will be shown on your current schedule.
- Your responsibilities include:
 - providing us with your account details and a payment deduction authority; and
 - ensuring that sufficient funds are available in your nominated account to pay each instalment.
- You must tell us immediately if you change any of the account details.
- If the account details you provide are incorrect or there are insufficient funds in your account, any additional fees or administration costs incurred because of the non-payment are payable by you.
- If you are paying by instalments, any unpaid portion of the total premium for the current period of insurance must be paid by you before your claim can be settled. We will advise you if we decide to deduct the outstanding premium from your claims settlement.

Payment schedule

- Your first payment will be withdrawn from your nominated account within five working days of your direct debit arrangement being set up.
- Subsequent payments will be deducted on your nominated day.
- If we are unable to process your payment on your nominated date, we will do so as soon as possible.
- Where your nominated payment day falls on a non-business day, we will deduct the scheduled payment on the next business day. If your nominated payment date is the 29th, 30th or 31st of the month, we will deduct the scheduled payment on the next business day for the months where these dates do not occur.

Renewal payment by instalments

- If you already have an existing instalment agreement with us and we invite renewal, at renewal time your policy will be automatically renewed and instalments deducted unless you inform us otherwise.

Changing your arrangement with us

- If you need to change any details of your direct debit arrangement please let us know before:
 - your next scheduled payment; or
 - the due date of the payment to which the changes will apply.

Overdue payments

- If your payment is overdue by:
 - more than 14 days after its due date, we may refuse any claim made for incidents occurring during the period the policy is unpaid;
 - one month, the cover your policy provides will cease unless alternative arrangements have been made directly with us.
- If two or more payment requests are not honoured by your financial institution, we may cancel your policy. We will advise you in writing if we are going to cancel your policy.
- If you cancel your payment arrangements, all outstanding amounts will be due and payable within 14 days from the cancellation date. If payment is not made, your policy will be cancelled and we will confirm the cancellation in writing.
- We may employ an external agency to collect payments owed to us.
- We accept payment by instalments at our option. We may not offer this option on future cover if there is a history of not meeting instalment payment obligations.

Important general information

Our agreement with you

When we agree to enter into a policy with you, we will provide you with a schedule which sets out the cover you have and what you have told us about your caravan or trailer, you, your joint policyholders, if any, and the regular drivers of your caravan or trailer. Your current schedule, this PDS and any supplementary PDS we may give you make up your agreement with us.

Please read the current schedule to ensure the details it provides are correct – if anything needs changing please call us. Please keep these documents in a safe place.

More than one insured

If your current schedule shows more than one named insured, any actions including, but not limited to, changes, requests, cancellations, omissions, statements, claims or acts generated by one insured will be treated as having come from all those named as insured on your current schedule.

We may agree to make any requested changes without notice to any other person named as insured on the current schedule.

Changes to your policy

If you want to change your policy and we agree to it, the change will become effective when we give you written confirmation of our agreement to the change and you pay any additional premium required.

Notices

We will give you any notice in writing. The notice will be effective if it is delivered to you personally or if it is delivered to your address last known to us.

You will receive a notice at least 14 days before the end of your current period of insurance advising you whether we are prepared to renew your cover.

Your Duty of Disclosure

Our decision to insure you is based on the information you provide when entering into and during the contract of insurance. That information will apply to you and anyone else to be covered by this policy. If your answers are not accurate and complete it may result in future claims being reduced or refused and/or your policy being cancelled.

Cooling-off period

You have 21 days from the commencement of your policy in which you can cancel it. All you need to do is contact us. You do not need to give us any reason. Provided you have not made a claim under the policy, we will cancel it and provide you with a full refund of the premium you have paid.

Cancelling your policy

You may cancel your policy at any time. The date of cancellation will be the date we receive your request. We will refund any premium you have paid for the period after the date of cancellation, less our cancellation fee.

If you are paying your insurance by instalments, any refund will be credited against your remaining instalments.

If the refund is less than the fee, a refund will not be issued.

We can cancel your policy in any way permitted by law. If we do so, we will:

- give you prior notice in writing; and
- refund any premium you have paid for the period after the date of cancellation, but we will charge a cancellation fee.

Co-operation

Any benefits we give you or any other person under the policy depend on you or any other person covered by the policy giving us any information and help that we require, including attending court to give evidence.

You or any other person covered by the policy must assist us even if we have already paid a claim, as we may attempt to recover from a party who caused you to suffer the loss or damage. We may also want to defend you if it is alleged that you caused someone else loss or damage.

If you or any other person covered by any policy receive any letters, notices or court documents relating to any incident that has or might result in a claim, you must send these to us immediately.

If you fail to fully co-operate with us regarding any part of the claim process, we may be entitled to cancel your policy, refuse to pay your claim or be entitled to recover any monies paid under the claim.

Goods and Services Tax (GST)

Any amounts we may pay under this policy include GST.

When claiming, you will need to provide details of any entitlement to input tax credits on your premium if you are registered or should be registered for GST purposes.

When we make a payment to you for repair or replacement of an insured item and you would be entitled to claim an input tax credit for the repair or replacement, we may reduce the settlement amount we pay by the amount of that input tax credit.

Updating our PDS

From time to time, we may need to update the information contained in this PDS.

When we do so, we will issue a Supplementary PDS.

Definitions

These words have special meanings:

Agreed Value. The amount we agree with you as the most we will pay in the event of a claim. The Agreed Value is shown on your current schedule and includes any applicable taxes and charges.

Business Use. You use your caravan or trailer primarily to carry out your business or occupation to derive an income.

Caravan. The caravan generally **described on page 5** of this policy and specifically identified on your current schedule.

Current Schedule. The current schedule we give you for the current period of insurance. Limit. The maximum amount we will pay under this policy. (Any applicable excesses are deducted from the nominated limit.)

Market Value. The amount we calculate the market would pay for your caravan or trailer taking into account its age, make, model and condition immediately before the incident resulting in a claim on your policy. Authoritative industry publications may be used to calculate the amount.

Period of Insurance. The period for which cover is provided by this policy as shown on your current schedule.

Policy. Your policy consists of:

- this product disclosure statement;
- your application(s) for insurance;
- our record of your verbal responses;
- your current schedule which sets out the particular details of your policy; and
- any supplementary PDS we may issue.

Private Use. You use your caravan or trailer primarily for social, domestic and pleasure purposes.

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:

- involves violence against one or more persons; or
- involves damage to property; or
- endangers life other than that of the person committing the action; or
- creates a risk to health or safety of the public or a section of the public; or
- is designed to interfere with or to disrupt an electronic system. It includes any action in controlling, preventing, suppressing, retaliating against or responding to any such act, preparation or threat.

Trailer. The trailer generally described on page 5 of this policy and specifically identified on your current schedule.

We, our and **us.** RACT Insurance Pty Ltd.

You, your. The Insured(s) shown on your current schedule. If the Insured is a company this means the authorised representative.

Your family. Your spouse, your partner or your de facto, your parents and parents-in-law, your or your spouse's children, your brothers and your sisters, who normally live with you.

The General Insurance Code of Practice

We support and adhere to the General Insurance Code of Practice. A copy of the code can be obtained from the Insurance Council of Australia by visiting www.insurancecouncil.com.au or by phoning (02) 9253 5100.

How we resolve complaints

We handle all complaints in accordance with our Complaints Handling Guide which is available on our website (ract.com.au) or request a copy by contacting us on:

Phone: 13 27 22 (toll free number in Tasmania) or 1800 005 677 (outside Tasmania)

Email: claimssupervisors@ract.com.au (for complaints related to claims) or ractcompliance@ract.com.au (for complaints relating to sales or other matters)

Mail: to the following postage-paid address:

RACT Insurance
Reply Paid 1292
HOBART TAS 7001

If you need to escalate the issue to an independent third party you can contact the Australian Financial Complaints Authority (AFCA) (AFCA is an independent external dispute scheme and their service is free to you), or for privacy related matters, complaints can also be lodged with the Office of the Australian Information Commissioner (OAIC). Contact details for both are provided below:

AFCA

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

Mail: Write to the following address:

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

OAIC

Online: www.oaic.gov.au

Email: enquiries@oaic.gov.au

Phone: 1300 363 992

Mail: Write to the following address:

Director of Compliance
Office of the Australian Information Commissioner
GPO Box 5218
Sydney NSW 2001

Financial Claims Scheme

This policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS), which is administered by the Australian Prudential Regulation Authority (APRA).

The FCS only applies in the extremely unlikely event of an insurer becoming insolvent and the Federal Treasurer making a declaration that the FCS will apply to that insurer.

The FCS entitles certain persons, who have valid claims connected with certain protected policies issued by that insurer, to be paid certain amounts by APRA.

Information about the FCS can be obtained from www.fcs.gov.au

Privacy of personal information

The privacy of your personal information is important to us. We collect your personal information to ensure that we are able to provide you with the relevant products and services.

We are subject to the *Privacy Act 1988*. For further details, please refer to our Privacy Policy at www.ract.com.au or ask us for a copy. Our Group Privacy Statement, also on our website, includes information about how we collect, use and disclose your personal information.



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