



# Total Loss Assist Insurance

## What is it?

Total Loss Assist (TLA) provides coverage in the event that your vehicle is written off or declared a total loss by your comprehensive insurer.

While comprehensive insurance covers the total loss of the vehicle, Total Loss Assist covers the difference between the comprehensive insurance payout and either the original price you paid for the vehicle, or the amount needed to discharge the lease, whichever is the greater amount. Providing you with greater protection in the event your vehicle is written off.

## Why it's a good idea

TLA offers the added security of knowing that your coverage extends beyond the comprehensive insurance payout. It provides additional protection against financial loss and means you don't have to worry about paying out the remainder of the lease or losing money on the depreciation of your car in the event it is declared a total loss.

## What it covers

TLA offers to pay the greater of either;

- The gap between the total loss pay-out and the amount needed to payout the lease; or
- The difference between the total loss pay-out and the vehicle purchase price.

If either amount is below \$5,000, a minimum benefit amount of \$5,000 will be paid.

The maximum coverage amount is based on the purchase price of the vehicle, with benefit payments available up to \$50,000.

## What it doesn't cover

Some exclusions are:

- The comprehensive insurer must pay the total loss in full. If there has only been a partial payment from the insurer then you are excluded from making a claim.
- TLA will not pay for any arrears in the finance contract (such as penalties for late payments or negative equity).
- TLA will not payout if the vehicle is used for hire or carriage (Uber, driver instruction).



## Example scenario

After a collision three years into her lease, Diya's vehicle is written off by her comprehensive motor vehicle insurer, with her payout totalling \$19,000.

The original price of her car was \$40,000 and the finance contract payout amount is \$21,000. As the purchase price was between \$35,001 and \$50,000, Diya is insured for a maximum \$25,000. To process her claim, the insurer works out which has the greater gap or shortfall.

- Finance contract shortfall  $\$21,000 - \$19,000 = \$2,000$
- Purchase price shortfall  $\$40,000 - \$19,000 = \$21,000$

Because the gap between the comprehensive insurance payout and the original price is the greater amount, the Benefit Payable to Diya = \$21,000.

Of this amount, \$2,000 will be paid to the financier to settle the finance contract, and the remaining \$19,000 will be paid to Diya.

Please read the **Product Disclosure Statement** for all of the product terms and conditions.

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### Insurance

If you chose any of the optional novated lease insurance products, it is included in the cost of your lease. You will receive your policy document when you enter into your lease. Maxxia (ABN 39 082 449 036) (Maxxia) is authorised by: Allianz Australia Insurance Limited (ABN 15 000 122 850, AFSL 274708) to provide general advice on and arrange Leased Vehicle Motor Insurance issued by Allianz. Coverforce Insurance Broking Victoria Pty Limited (ABN 45 127 707 813, AFSL 345986) to provide general advice on and arrange Lease Protection Insurance and Total Loss Assist Insurance issued by Professional Risk Underwriting Pty Ltd (ABN 80 103 953 073, AFSL 308076) and Safeguard Ultimate Warranty and Residual Protection Cover issued by Virginia Surety Company, Inc (ABN 080 339 957, AFSL 245579). Pacific International Insurance (ABN 83 169 311 193, AFSL 523921) to provide general advice on and arrange Motor Vehicle Lease Insurance Options Policy issued by Pacific International Insurance.

### Insurance Disclosures

The Product Disclosure Statement (PDS) for each insurance product includes the full terms and conditions and the Financial Services Guide (FSG) includes information about the financial services Maxxia provides. You can obtain these documents by visiting our website or contacting us at 1300 123 123 or [mycarassist@maxxia.com.au](mailto:mycarassist@maxxia.com.au).

**Things you need to know:** This guide does not constitute financial product advice. This general information doesn't take your personal circumstances into account. Please read the PDS and consider whether this information is right for you before making a decision and seek professional independent tax or financial advice. Conditions and fees apply, along with credit assessment criteria for lease and loan products. This availability of benefits is subject to your employer's approval. Maxxia may receive commissions in connection with its services.