



# **ROAD BIKE INSURANCE PRODUCT DISCLOSURE STATEMENT & POLICY WORDING**

APRIL 2021

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# Product Disclosure Statement (PDS) & Policy Wording

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## The Purpose of this PDS

This Product Disclosure Statement (PDS) contains important information as required under the *Corporations Act 2001* (Cth) and has been prepared to assist You to:

- decide whether this product will meet Your needs; and
- compare this product with any other products You may be considering.

This PDS sets out significant benefits and risks of the policy. It is designed to help You decide if the cover is right for You. Any advice is general and does not take into account Your individual needs and circumstances. For full details of the benefits, limitations, exclusions, terms and conditions You should read the PDS, insurance Policy Wording and Policy Schedule carefully.

## Important Information about this PDS and Policy Wording

This document is a PDS and is also your insurance Policy Wording.

You should read the PDS, Policy Wording and Policy Schedule of this insurance to obtain a complete description of all the benefits, terms, conditions and exclusions relating to the cover offered under this insurance. Please read these documents carefully and ensure that you keep them in a safe place for future reference

In this PDS:

- “We”, “Our” or “Us” means QBE Insurance (Australia) Limited
- “You”, “Your” means the “Insured” named in the Policy Schedule.

## About QBE

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 is a member of the QBE Insurance Group of companies. QBE Insurance Group Limited ABN 28 008 485 014 is the ultimate parent entity and is listed on the Australian Securities Exchange (ASX: QBE). We have been helping Australians protect the things that are important to them since 1886. Our purpose is to give people the confidence to achieve their ambitions.

## About Marsh Advantage Insurance

Marsh Advantage Insurance Pty Ltd (ABN 31 081 358 303), Australian Financial Services Licence (AFSL) No 238369 (Marsh Advantage Insurance) will be providing the financial services on your behalf. Marsh Advantage Insurance is a subsidiary of Marsh Inc. Marsh Inc. is a world leader in delivering risk and insurance services and solutions to clients.

Global risk management consulting, insurance broking and insurance program management services are provided for businesses, professional services organisations and private clients under the Marsh Advantage Insurance name.

Marsh Advantage Insurance's ultimate parent is Marsh & McLennan Companies, Inc. (MMC) which is a public company listed on the New York, Chicago and London stock exchanges.

If You have any questions or would like further information regarding this PDS, You can contact Marsh on:

Phone 1300 117 131  
Fax: (02) 8824 1690  
Email: [bikes@marsh.com](mailto:bikes@marsh.com)  
Internet: [www.marsh.com](http://www.marsh.com)

## Cooling off period

If You change your mind about Your Policy and haven't made a claim, You can cancel it within 21 days of the start or renewal date and We'll give You a full refund. If You cancel Your Policy in these circumstances, You will have no cover under the Policy.

To cancel your Policy within the cooling-off period, contact your Marsh Adviser.

You can also cancel Your Policy outside the cooling off period, see 'Cancellation'. On cancellation, certain amounts may be deducted from any refund for any non-refundable government fees, duties or charges.

## Your duty of disclosure

Before you renew this contract of insurance, you have a duty of disclosure under the *Insurance Contracts Act 1984*.

If we ask you questions that are relevant to our decision to insure you and on what terms, you must tell us anything that you know and that a reasonable person in the circumstances would include in answering the questions.

Also, we may give you a copy of anything you have previously told us and ask you to tell us if it has changed. If we do this, you must tell us about any change or tell us that there is no change. If you do not tell us about a change to something you have previously told us, you will be taken to have told us that there is no change. You have this duty until we agree to renew the contract.

### **If you do not tell us something**

If you do not tell us anything you are required to tell us, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

## Privacy

Marsh and QBE each have a privacy policy which sets out personal information they collect and how they collect, disclosure, store and use it.

## QBE

We take the security of Your personal information seriously.

QBE will collect personal information when You deal with Us, Our agents, other companies in the QBE Insurance Group or suppliers acting on Our behalf. We use Your personal information so that We can do business with You, which includes issuing and administering Our products and services and processing claims. Sometimes We might send Your personal information overseas. The locations We send it to can vary but include the Philippines, India, Ireland, the UK, the US, China and countries within the European Union.

Our Privacy Policy describes in detail where and from whom We collect personal information, as well as where We store it and the ways We could use it. To obtain a copy at no charge by us, please visit [www.qbe.com.au/privacy](http://www.qbe.com.au/privacy) or contact Our customer care unit.

It is up to You to decide whether to give Us your personal information, but without it We might not be able to do business with You, including not paying Your claim.

## How to apply for this insurance

When You apply for insurance You will need to give Us information about You and Your circumstances. The information We needs is contained in the online application form that You have accessed on the website at [www.marsh.com](http://www.marsh.com).

If Your application is accepted and payment has been received You will be issued with a Policy Schedule confirming the cover that is in place.

## Cover We can offer

When You apply for insurance, You will need to provide relevant information. We will use the information supplied by You to decide the terms of cover We will provide. We provide cover to You on the terms contained in the application, the Policy Wording and any other document, including the most recent Policy Schedule that is issued to You.

The Policy Schedule will contain important information relevant to Your insurance including the Period of Insurance, the type of cover You have selected, Your Premium, the limits that You want for particular covers, and whether any standard terms need to be varied by way of endorsement.

The Policy Wording and Policy Schedule make up Your "Policy."

## The cost of this Policy

Premium is what You pay Us for this Policy and it is made up of the amount we have calculated for the risk and any taxes and government charges and will be shown on the Schedule.

When calculating your premium we take a number of factors into account, including:

- the market value of Your Bike;
- the year, make and model of Your Bike;
- the value of all accessories on Your Bike;
- Your residential address and the address where Your Bike is garaged or stored;
- the age of the main rider or any other riders, as well as their and Your driving/riding, criminal and insurance history.

## Goods and Services Tax

If You are a business You must tell Us if You are registered, or are required to be registered, for GST. When You do this, We need You to provide Us with the following:

- Your ABN; and
- the percentage of any input tax credit You will claim, or will be entitled to claim on Your Premium.

When We pay a claim, Your GST status will determine the amount we pay You. Your claim settlement amount will be adjusted to allow for the input tax credit entitlement.

Unless We say otherwise, all amounts in Your Policy are inclusive of GST. There may be other taxation implications affecting You, depending upon Your own circumstances. We recommend You seek professional advice.

## How to make a claim

Please contact Marsh to make a claim. We will only accept responsibility for repairs or payments to third parties under a claim where You have advised Us beforehand and Your claim has been accepted. Full details of what You must do for Your claim to be considered are provided in the 'Claims' section of the Policy Wording.

In the event of a claim, please contact:

Phone 1300 117 131  
Fax: (02) 8824 1690  
Email: [bikes@marsh.com](mailto:bikes@marsh.com)  
Internet: [www.marsh.com](http://www.marsh.com)

## Excesses

An Excess is an amount You have to pay each time You make a claim and will be applied for each accident or event where a claim is made.

There is a basic Excess as well as additional age and inexperienced rider Excesses which have application in certain situations as described in Section 5 of the Policy Wording – Excess – Your Contribution Towards a Claim.

## Significant Benefits and Features

### Comprehensive Insurance

This Insurance is designed to cover You if Your insured Bike is stolen or is Accidentally Damaged during the Period of Insurance, anywhere in Australia, up to the amount of the Market Value or other specified limit. We will either:

- pay the cost of repairs up to an amount not exceeding the Sum Insured;
- pay the Sum Insured if Your Bike is a Total Loss; or
- replace Your Bike including on road costs if similar make and model is available, provided certain conditions are satisfied.

See Section 3 of the Policy Wording for full details.

Your cover includes a range of additional benefits up to the specified limits – for full details refer to Section 3.2 of the Policy Wording - Additional Benefits We Will Pay For.

### Legal Liability cover

We also cover You (and certain other persons We specify) for legal liability for damage to another person's property directly caused by a part of Your Bike, goods falling from Your Bike or the loading or unloading of Your Bike. In these circumstances We will pay:

- the reasonable cost of the damage for which there is liability; or
- the amount awarded by a court in Australia, up to the Limit of Liability.

Certain other benefits are also provided under this section of the Policy. For full details see Section 4 of the Policy Wording – Legal Liability.

The event causing liability must occur during the Period of Insurance and Anywhere in Australia. For full details see Section 4 of the Policy Wording – Legal Liability.

## Significant Risks/Exclusions to Consider

There are certain cases when You will not have cover under Your Policy, which means We may refuse to pay Your claim. Some examples of where We do not provide cover are:

- when Your Bike is not able to be Registered.
- when Your Bike is being ridden and is not Registered.
- in the case of theft, where reasonable steps are not taken to Secure Your Bike.
- when the rider is under the influence of Drugs or alcohol.
- when Your Bike is in an unsafe, unroadworthy or illegal condition.
- when the damage is due to normal wear and tear, rust or corrosion to Your Bike.
- when Your Bike is being used on a race track speedway track or course, in a rally or event where
  - the road was closed to public traffic, for rider training or rider instruction on a race track, speedway track or course (unless Your Policy is endorsed for such use) or in preparation for, or in, a race, time trial, hill climb or any other competitive motor sport or contest.
  - loss or damage to Non-Standard Accessories or Modifications not shown in Your Schedule.

A Terrorism exclusion also applies to this Policy, and the detail of this exclusion is set out in Section 5 of the Policy Wording. You should also note that if We allege that because of this exclusion, any loss, damage, cost or expense is not covered by this insurance, the burden of proving the contrary shall be upon You.

The full list of exclusions is set out in the Road Bike Insurance Policy Wording. Please read them to make sure the cover We provide matches Your expectations. Refer to Section 3.3 and 4.2 – What We Will Not Pay For, which apply to the Comprehensive Insurance and Legal Liability sections respectively, and Section 6 – General Exclusions which apply to the Policy.

- We may also refuse to pay or reduce the amount We pay for a claim:
  - if You do not comply with the conditions of the cover which are set out in the Policy Wording in
    - this document. Please read these conditions to make sure You understand Your obligations.
  - if You do not comply with Your Duty of Disclosure which is set out in this PDS, or
- if You make a fraudulent claim.

We can also cancel Your Policy in certain cases, for example if You breach Your duty of disclosure or a cover condition.

## Risks of the Policy for You to Consider

You should consider the following when deciding whether to hold this Policy:

- whether the Policy provides the level of cover You need. Your level of cover may not be adequate, for example, as You are only covered for the current Market Value of Your Bike;
- whether You are able to satisfy the terms and conditions of the Policy;
- in some instances there are restrictions and limits on the cover, which means that there will be
  - either no insurance cover provided or the amount We pay may be limited. For more information, see further below and refer to the Policy Wording; and
  - We may refuse to pay part or all of a claim under the Policy if You do not comply with the terms and conditions of the Policy.

## Other Important Information

- You must notify Us when You change Your place of residence or if You change the regular overnight parking situation of Your Bike.
- When Your Bike is a Total Loss and We have paid out the Sum Insured, this insurance ceases.

- If You purchase another Bike, this requires a new insurance contract commencing at the time with an applicable premium.
- If Your Bike was stolen from Your garage address, We may require You to increase Your security measures before a new contract commences.
- You must pay Your premium on time otherwise Your insurance may not operate.
- When renewing Your insurance with Us, You must also advise Us of any changes to Your claims,
  - riding/driving, insurance or criminal history.
  - We will notify You in writing of any effect a change may have on Your insurance renewal.
  - Your Policy will be renewed from the renewal date or the date payment is received, whichever is the later date.

## Overdue Premium

You must pay Your Premium on time otherwise Your Policy may not operate.

## Complaints

We're here to help. If you're unhappy with any of our products or services, or the service or conduct of any of our suppliers, please let us know and we'll do our best to put things right.

### Step 1 – Talk to us

Your first step is to get in touch with the team looking after your policy or claim. You'll find their contact details on your policy documents, letters or emails from us.

Please provide our team with as much information as possible so they can try to fix the problem quickly and fairly.

### Step 2 – Customer Care

If your complaint isn't resolved by the team looking after your policy or claim, you can ask them to refer your complaint on to our Customer Care team or you can contact Customer Care directly.

### Step 3 – Internal Dispute Resolution

If your complaint isn't resolved by Customer Care, or indeed at any time, you can ask for your complaint to be escalated for review by our Internal Dispute Resolution (IDR) team. A Dispute Resolution Specialist will review your complaint independently and provide you with our final decision.

### Step 4 – Still not resolved?

If we're unable to resolve your complaint to your satisfaction within a reasonable time, or you're not happy with our final IDR decision, you can refer your complaint for external dispute resolution by contacting the Australian Financial Complaints Authority (AFCA). We are a member of AFCA and their decisions are binding on us.

AFCA will inform you if your complaint falls within its jurisdiction. Time limits apply to most complaints to AFCA.

#### *Disputes not covered by the AFCA Rules*

If your dispute doesn't fall within the AFCA Rules, and you're not satisfied with our decision then you may wish to seek independent legal advice.

#### *Privacy complaints*

If you're not happy with how we've handled your personal information, call or email Customer Care.

If you're not satisfied with our response, you can contact the Office of the Australian Information Commissioner (OAIC).

## HOW TO CONTACT QBE CUSTOMER CARE

Phone	1300 650 503 (Monday to Friday from 9am to 5pm, Sydney time, except on public holidays). Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	<a href="mailto:complaints@qbe.com">complaints@qbe.com</a> to make a complaint. <a href="mailto:privacy@qbe.com">privacy@qbe.com</a> to contact us about privacy or your personal information. <a href="mailto:customercare@qbe.com">customercare@qbe.com</a> to give feedback or pay a compliment.
Post	Customer Care, GPO Box 219, PARRAMATTA NSW 2124

## HOW TO CONTACT AFCA

Phone	1800 931 678 (free call)
Email	<a href="mailto:info@afca.org.au">info@afca.org.au</a>
Online	<a href="http://www.afca.org.au">www.afca.org.au</a>
Post	Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

## HOW TO CONTACT THE OAIC

Phone	1300 363 992 Calls from mobiles, public telephones or hotel rooms may attract additional charges.
Email	<a href="mailto:enquiries@oaic.gov.au">enquiries@oaic.gov.au</a>
Online	<a href="http://www.oaic.gov.au">www.oaic.gov.au</a>

## Financial Claims Scheme

This policy is protected under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the unlikely event QBE becomes insolvent. You may be entitled to access the FCS if you meet the eligibility criteria. For more information, contact the Australian Prudential Regulation Authority (APRA).

APRA Contact Details	<a href="http://www.apra.gov.au/financial-claims-scheme-general-insurers">www.apra.gov.au/financial-claims-scheme-general-insurers</a>
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## General Insurance Code of Practice

QBE is a signatory to the General Insurance Code of Practice (Code) and is committed to providing high standards of service. The Code covers topics like buying insurance, how claims are handled, what happens if financial hardship occurs, and complaint handling. You can read the Code at [codeofpractice.com.au](http://codeofpractice.com.au)

We recognise that family and domestic violence is a complex issue and we take it seriously. For more information about support, our Family and Domestic Violence Customer Support Policy is available at [qbe.com/au](http://qbe.com/au)

## Policy Schedules

Policy Schedules are a record of Your specific insurance covers. When You receive them, please check the Policy Schedules carefully and inform Us as soon as possible if You feel anything needs to be changed. In order that You always have a complete up-to-date record of Your cover, We will send You a new set of Policy Schedules whenever Your insurance cover is renewed or changed in any way.

## Policy Wordings

The Policy Wording details all the terms and conditions of cover. In certain cases, Additional Benefits, Definitions, Exclusions and Conditions have been included or varied to suit the requirements of Your Business. In these cases Endorsements are included with the relevant Policy Wording and are shown on Your Policy Schedule.

## Important

You are only covered for those sections which are shown on the Policy Schedule or in respect of which a certificate of insurance has been issued.

## Updating this PDS

Information in this PDS might change. If the change is adverse then We'll issue a supplementary PDS or a new PDS at renewal. You can get an up-to-date paper copy of all updates (whether adverse or not adverse) at no charge by Us, simply by calling Us.

# Section 1 – Important Information about Your Policy

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It is very important that You read Our Road Bike Insurance Policy thoroughly to ensure You are satisfied with this Insurance.

Your Policy is a contract between You and Us and it is made up of the Policy Wording and the Policy Schedule which will show the cover You have selected. The Policy sets out what You are insured for and those circumstances where You will not be insured.

Your Policy includes Your Product Disclosure Statement and Policy Wording and the Policy Schedule and describes the insurance contract between You and Us.

In return for You paying Us the Premium, We will insure You subject to the terms, conditions and exclusions in Your Policy.

## Please Read Your Policy Wording

It is important that You carefully read and understand Your Policy Wording because it describes the terms, conditions and exclusions that apply to Your insurance.

## Checking Your Policy

Please check Your Policy Schedule to make sure all the information is correct. Please let Us know straight away if any changes are needed. If You don't tell Us, We may reduce or refuse to pay a claim.

## Keeping Your Documents Safe

You should keep Your Policy in a safe place in case You need to refer to it in the future.

We may require You to provide receipts and other documentary evidence to support a claim. You should keep those documents in a safe place in case they are required to settle a claim.

## Important Conditions

You must notify Us when You change Your place of residence or if You change the regular overnight parking location of Your Bike.

When renewing Your insurance with Us You must also advise of any changes to Your claims, riding/driving, insurance or criminal history.

# Section 2 – Definitions

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The following words when capitalised in Your Product Disclosure Statement or Policy have the meaning given below.

**Accidental Damage:** means unforeseen and unintended loss, destruction or physical damage to Your Bike not caused by or related to the maintenance or repair of Your Bike in circumstances excluded by this Policy. Accidental Damage includes theft.

**Anywhere in Australia:** means We will only insure You for an incident occurring in Australia or while Your Bike is being transported within Australia.

**Bike:** means the Bike which is able to be Registered, owned by You which is described in the Policy Schedule, including:

- standard fitted options and accessories; plus
- any fitted non-standard accessory or modification shown in the Policy Schedule

**Bike Apparel:** means protective riding gear specifically worn while riding Your Bike and includes Your helmet, riding jacket, gloves, riding pants and riding boots

**Driving Licence:** means a Bike licence or permit to ride that is in force and held by You or an Insured Person at the time of the incident and is current for the class of Your Bike.

**Drugs:** means any illegal substance or non-prescribed drug which when used impairs a person's faculties.

**Endorsement:** means a written notice about any alteration to the insurance under this Policy.

**Excess/es:** means the amount You must pay towards the cost of any claim under the Policy. The Excess is printed on the Policy Schedule.

**Family:** means:

- a spouse (including de facto) of an Insured Person;
- a parent, grandparent, brother, sister, child or grandchild (including in each case half, step, or adopted relationships) of an Insured Person;
  - of a spouse (including de facto) of an Insured Person;
  - or
  - a person who normally lives with an Insured Person.

**Flood:** means the covering of normally dry land by water that has escaped or been released from the normal confines of any one or more of the following:

- a lake (whether or not it has been altered or modified);
  - a river (whether or not it has been altered or modified);
  - a creek (whether or not it has been altered or modified);
- another natural watercourse (whether or not it has been altered or modified);
  - a reservoir;

- a canal; or
- a dam.

**Garage Address:** means the normal place Your Bike is stored.

**Incident:** means an event which results in a claim on this Policy.

**Insured Person:** means You and any other person who has Your permission to ride Your Bike unless You have chosen a nominated rider Policy, in which case an Insured Person is You only. The type of cover chosen will be specified in Policy Schedule.

**Limit of Liability:** as shown in the Policy Schedule means the amount which We agree to insure Your legal liability for at the commencement of each Period of Insurance. The Limit of Liability excludes any GST but includes legal costs (for both Your defence and any legal costs that You are liable to pay to a third party).

**Market Value:** means the value of Your Bike at the time of the loss taking into consideration its age and condition. To assist in determining the Market Value We may also use The Red Book price guide, Glass's Guide or other available information. Market value also includes any accessory attached to the Bike which is listed on Your Policy Schedule.

**Modification:** means any alteration to Your Bikes standard frame, engine, suspension, wheels, tyres or paintwork which could affect its value, safety, performance or appearance. There is no insurance for any modification that is not shown on Your Policy Schedule.

**Non-standard accessory(ies):** means any fitted items owned by You which are not a standard accessory fitted to the model of Your Bike. For example:

*Bash Plates, Exhaust Systems, Alarm Systems, Handlebar Accessories, Oggy Knobbs, Steering Dampers, Screens, CB radio, Global Positioning System, Seat Covers, Sissy Bars, Saddle Bags*

There is no insurance for any fitted Non-standard accessory unless it is shown on Policy Schedule.

**Period of Insurance:** means the Period of Insurance shown on Your Policy Schedule or any subsequent period for which You pay and We accept premium.

**Policy:** means Your Policy Wording, and Your Policy Schedule and any amendments to any of these that We notify to You in writing.

**Policy Schedule:** means a document that in conjunction with the Policy Wording issued by Us which forms part of Your insurance contract with Us and includes the Insured name (You), the Premium payable and the Period of Insurance. It also contains information including what cover You have chosen to take, Your Excess and special conditions that are applicable.

**Policy Wording:** means the Road Bike Insurance Policy Wording dated 7<sup>th</sup> June 2018.

**Premium/s:** means the total amount (including relevant fees, taxes, duties and Government charges) You pay for Your Policy.

**Registered:** means that Your Bike is Registered or licensed in an Australian State or Territory for use on a public road.

**Secure/Secured:** means the use of a chain, lock or other security device to provide reasonable security for Your Bike.

**Sum insured:** means the Market Value of Your Bike at the date of loss or damage.

**Terrorism or an Act of Terrorism:** means an act, including but not limited to the use of force or violence and or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious,

ideological or similar purposes including the intention to influence any government and or to put the public, or any section of the public, in fear.

**Total loss:** means when repairs to Your Bike are uneconomical and includes where the repair costs and the salvage value when added together are likely to exceed the Sum Insured of Your Bike.

- **Use:** means use of Your Bike for one of the following:

Private use which means for:

- Social, domestic or pleasure purposes and travel to and from work.

Business use which means for:

- the use of Your Bike in connection with Your business or Your occupation.

- Weekend recreation which means for:

- Social, domestic or pleasure purposes on the weekend only.

**We, Our or Us:** means QBE Insurance (Australia) Limited

**You, Your:** means the "Insured" named in the Policy Schedule.

# Section 3 – Theft or Damage to Your Bike

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## 3.1 What We Will Pay For

- If Your Bike is stolen or Accidentally Damaged during the Period of Insurance, We will either:
- pay the cost of repairs up to an amount not exceeding the Sum Insured;
- pay the Sum Insured if Your Bike is a Total Loss; or
- replace Your Bike including on road costs if a similar make and model is available, provided:
  - You are the original owner, from when Your Bike was new; and
  - Your Bike is less than 24 months old; and
  - Your Bike was insured for the purchase price, including attached accessories.

In the event that Your Bike is assessed as a Total Loss, Your Bike including any accessories fitted to Your Bike becomes Our property upon payment or replacement.

When Your Bike is a Total Loss and We have paid out the Sum Insured, this insurance ceases.

### 3.1.1 Damaged Parts

We are entitled to replace damaged parts with new parts or used parts, or repair parts to a similar condition to those being replaced or repaired.

### 3.1.2 Contribution Towards Cost of Repairs

We are entitled to require You to contribute towards the cost of repairs where the condition or appearance of Your Bike improves as a result of replacing old parts with new parts or repainting more than the damaged area. If this may be necessary, We will talk to You beforehand about how You would like to proceed.

### 3.1.3 Parts and Accessories

Where parts and accessories are not available locally We will only pay:

- the cost of parts and accessories (including installation) of an equivalent make and model of Bike listed in the latest suppliers list within the State or Territory in which repairs are being carried out; and
- surface freight costs of getting parts to the repairer.

### 3.1.4 Goods and Services Tax (GST)

Where We pay a claim and You are liable to pay GST in respect of Your claim, We will cover You for that GST, less any Input Tax Credit You may be able to claim from Your purchase of goods and services. We will pay this amount in addition to the Sum Insured shown in the Policy Schedule. If Your Sum Insured is not sufficient to cover Your loss, or a Policy limit applies, We will only pay GST that relates to Our settlement of Your claim (less Your entitlement to any Input Tax Credit).

You must advise us of Your correct Taxable Percentage. Any GST liability arising from Your incorrect advice is payable by You.

GST and Input Tax Credit have the same meaning as given to those expressed in *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and related legislation as amended from time to time.

Taxable Percentage is Your entitlement to an Input Tax Credit on Your premium as a percentage of the Total GST on that premium.

## 3.2 Additional Benefits We Will Pay For

### 3.2.1 Towing Costs

If Your Bike is damaged or recovered after theft, We will pay the reasonable cost of removal to the nearest repairer or place of safety or to another place We have authorised.

### 3.2.2 Repatriation Costs

If You live over 100kms from the place where We authorise Your repairs to be done, We will pay the reasonable cost of the repatriation of Your Bike to Your home, up to an amount of \$500.

### 3.2.3 Replacement Bike

If You sell or otherwise dispose of Your Bike, other than when it is a Total Loss, We will insure Your replacement Bike under this Policy if:

- You replace it with another similar bike within 14 days; and
- You give Us details of the replacement bike within that time; and
- We agree to insure it and You pay any applicable extra premium We reasonably require.

### 3.2.4 Travelling Expenses

If Your Bike cannot be ridden as a result of an incident, We will reimburse You up to \$200 for expenses incurred by You to return directly to Your home.

### 3.2.5 Emergency Accommodation Costs

If Your Bike cannot be ridden home after an incident which caused damage to Your Bike to the extent that it is not able to be ridden and has to be towed from the scene and You are more than 100 kilometres from Your home, We will reimburse the cost of emergency accommodation for You, Your spouse, Your de facto, or dependent children. The maximum We will pay in respect of this benefit is \$200.

### 3.2.6 Nominated Rider

If You choose this option, Your premium may be reduced. When the Policy Schedule shows that the nominated rider option applies We will not cover any accidental loss, damage or liability, which results in a claim, when Your Bike was being ridden or was in the control of any other person other than the nominated riders as shown in the current Policy Schedule.

We will not refuse to pay Your claim if the rider of Your Bike:

- was found guilty of theft or illegal use of Your Bike; or
- was a person paid by You to repair, service or test Your Bike.

### 3.2.7 Bike Apparel

We will cover Your Bike Apparel when it is accidentally damaged or stolen as a result of an incident under Section 3 – Theft or Damage to Your Bike.

We will cover the main rider up to a total amount of \$2,000 and pillion rider up to a total amount of \$1,000 for any one incident.

### **3.2.8 Finance Payout – Total Loss**

Where Your Bike is subject to any financial agreement through a financial institution and suffers a Total Loss, We will cover You or the finance provider for the difference between the contract payout amount and the Market Value of Your Bike to a maximum of 25% of the Market Value less any payments and interest in arrears at the time of loss, and less any discount in respect of finance charges and/or interest for the unexpired term of the financial agreement. However, We will not pay if We are not required to do so by the finance provider.

## **3.3 What We will Not Pay For**

There is no insurance under Section 3:

### **3.3.1**

For theft or damage when You or an Insured Person do not take reasonable precautions to Secure Your Bike.

### **3.3.2**

When the theft is by a person acting with the express or implied consent of You or an Insured Person;

### **3.3.3**

When the theft is by a person to whom You have lent Your Bike, but this will not apply if the incident is theft by deception and You have recoded the details of the Driving Licence or other form of legal identification of that person;

### **3.3.4**

When the damage is:

- i. the result of normal wear and tear, rust or corrosion to Your Bike;
- ii. structural failure, electrical or mechanical breakdown;

### **3.3.5**

When You or an Insured Person have not taken all reasonable steps to protect Your Bike from being stolen or further damaged after it has been involved in an incident and/or structural failure, electrical or mechanical breakdown;

### **3.3.6**

When the damage is to the tyres of Your Bike unless it was caused in the incident;

### **3.3.7**

When the theft or damage is:

- i. to a non-standard accessory not shown on the Policy Schedule;
- ii. to a modification not shown on the Policy Schedule; or
- iii. to personal property;

### **3.3.8**

For financial or consequential loss related to Your claim, such as:

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

# Section 4 – Legal Liability

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## 4.1 Legal Liability for Damage to a Third Party's Property

If You become legally liable for damage to another person's property directly caused during the Period of Insurance by:

- a part of Your Bike;
- goods falling from Your Bike; or
- the loading or unloading of Your Bike.

then We will pay:

- the reasonable cost of the damage for which there is liability; or
- the amount awarded by a court in Australia, up to the Limit of Liability.

### 4.1.1 Riding Another bike

We will insure You under this Section when You ride a substitute bike of similar power(cc), characteristics and Market Value or less being ridden whilst Your Bike is being repaired or serviced.

### 4.1.2 Pillion Rider

We will insure under clause 4.1, a pillion rider who is lawfully travelling on or getting on or off Your Bike or a substitute bike.

### 4.1.3 Other People Riding Your Bike

We will also insure under this Section an Insured Person riding Your Bike or the rider of the substitute Bike who is in charge of that bike with Your permission but only where You have not taken out a nominated rider Policy as specified on Your Policy Schedule.

### 4.1.4 Maritime Liability

If Your Bike is being transported by sea between ports within Australian waters, We will pay Your contribution in respect of Your Bike for general average and salvage charges incurred by a shipowner where necessary for the safety of the ship and cargo, provided You are liable to contribute under maritime law, up to a maritime liability sublimit value of \$100,000, with a loss limited to the maximum value of the Bike of \$40,000.

### 4.1.5 Legal Costs

Provided We consent in writing (consent which will not be unreasonably withheld) and also provided that the limit of liability is not exhausted We will pay for all legal costs and expenses in defending any court proceedings that may arise from liability covered by Your Policy. We will not pay for any legal costs and expenses relating to any criminal or traffic proceedings.

### 4.1.6 Limit of Liability

We will not pay more than the limit shown in the Policy Schedule for Our total liability under this Section in respect of all claims arising out of one incident or series of related incidents, including all costs, charges, expenses and legal costs. Any Excess payable by You is included in the liability limit.

## 4.2 What We Will Not Pay For

There is no insurance under Section 4 or Clause 3.2.6 for legal liability:

### 4.2.1

For bodily injury or death;

### 4.2.2

For fines or penalties (including any interest and costs) incurred by an Insured Person;

### 4.2.3

For any punitive, exemplary, aggravated or multiple damages (including any interest and costs) against an Insured Person;

### 4.2.4

Arising out of an undertaking or guarantee given by an Insured Person without Our written authority;

### 4.2.5

For damage to property owned by an Insured Person or in their possession custody or control;

### 4.2.6

For which there is an entitlement to claim an amount or benefit under a statute or other Policy in respect of the liability.

# Section 5 – Excess – Your Contribution Towards A Claim

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When You make a claim You may have to contribute some money towards the cost of that claim. This is called an Excess and, if following an incident, more than one Excess applies, You have to pay the total of all the Excesses that apply to You.

There are a variety of Excesses – as follows:

- a basic Excess, which is the first amount You have to pay;  
plus, You may have to pay an:
- age Excess when the rider at the time of the incident is within the age group for the specified Excess, but this Excess does not apply when the incident is a result of fire, explosion, lightning, flood, theft or where Your Bike is damaged while parked.  
plus, You may have to pay an
- inexperienced rider Excess which applies when the rider at the time of the incident has not held an Australian motorcycle licence for 3 or more years, but this Excess does not apply when the incident is a result of fire, explosion, Flood, theft or where Your Bike is damaged while parked.

Your basic Excess along with any additional Excesses are specified in Your Policy Schedule.

# Section 6 – General Exclusions Which Apply to the Policy

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## 6.1 There is no insurance under this Policy if You or an Insured Person riding Your Bike:

### 6.1.1 at the time of the incident:

- i. were affected by alcohol or drugs to an extent that impaired the control of Your Bike; or
- ii. had a blood alcohol level exceeding the statutory limit for the State or Territory in which the incident occurred; or
- iii. did not hold a current Australian motorcycle licence or had not complied with all conditions of the licence;

### 6.1.2

Following the incident, refused to take a police alcohol or drug test.

This only applies if You knew, or should have known, that the person riding Your Bike was affected by alcohol or drugs or did not have an Australian motorcycle licence.

If We do pay a claim because You were unaware that the person riding Your Bike was affected by alcohol or drugs or did not have an Australian motorcycle licence, then We reserve the right to recover from that rider.

## 6.2 There is no insurance under this Policy if at the time of the incident Your Bike was being ridden by You or an Insured Person and was:

### 6.2.1

Not Registered;

### 6.2.2

Being used for an unlawful purpose;

### 6.2.3

Being used:

- i. on a race track, speedway track or course,
- ii. for rider training or rider instruction on a race track, speedway track or course unless Your Policy is endorsed for such use,

- iii. in preparation for, or in, a race, time-trial, hill-climb or any other competitive motor sport or contest,
- iv. in a rally or event where the road was closed to public traffic

#### **6.2.4**

Being used for carrying passengers for hire, fare or reward, unless Your Policy is endorsed for such use;

#### **6.2.5**

Being let out on hire;

#### **6.2.6**

Being used for business purposes.

### **6.3 There is no insurance under this Policy if at the time of the incident Your Bike was:**

#### **6.3.1**

In an unsafe, un-roadworthy or illegal condition(s), but this does not apply if:

- i. the condition did not contribute to the cause of the incident, or
- ii. You or an Insured Person were unaware of the defect and it was reasonable to be unaware of it.

#### **6.3.2**

Overloaded, but this does not apply if the overloading did not contribute to the cause of the incident.

### **6.4 There is no insurance under this Policy when the incident arises out of an intentionally harmful or damaging act by:**

#### **6.4.1**

You, an Insured Person or a Family member;

#### **6.4.2**

A person with the express or implied consent of You, an insured person or Family member,

#### **6.4.3**

A pillion rider on Your Bike or a substitute bike.

## 6.5 There is no insurance under this Policy when the incident is caused by:

### 6.5.1

Lawful seizure, repossession or other operation of law;

### 6.5.2

Invasion, war, civil war or rebellion;

### 6.5.3

Nuclear weapons, nuclear fuel, waste or material.

## 6.6 Radioactive Contamination and Explosive Nuclear Assemblies Exclusion Clause

This Policy does not cover;

### 6.6.1

Loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss.

### 6.6.2

Any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:

- i. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- ii. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

## 6.7 War and Civil War Exclusion

Notwithstanding anything to the contrary contained herein, this Policy does not cover loss or damage directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

## 6.8 Terrorism Exclusion

### 6.8.1

Notwithstanding any provision to the contrary herein, this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any Act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

### **6.8.2**

This endorsement also excludes loss, damage, cost or expense directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

### **6.8.3**

If We allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon You.

### **6.8.4**

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

## **6.9 Sanctions limitation and exclusion clause**

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that to do so may expose us to any sanction, prohibition, or restriction under United Nations resolutions or any applicable trade or economic sanctions, laws or regulations of any country.

## **6.10 Laws impacting cover**

We will not be liable to provide any cover, pay any claim or provide any benefit under this Policy, to the extent that it is illegal for us to do so.

# Section 7 – Claims Conditions & Procedures

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It is important to remember that a claim made by any one of the persons named as the Insured in the Policy Schedule is a claim by all of them.

## 7.1 An incident occurs

As soon as You discover that an incident likely to result in a claim has occurred, You must:

- take all reasonable steps to reduce the loss or damage and to prevent further loss or damage.
- inform the police as soon as possible when required to do so by law or when the incident is theft or malicious damage and provide details of the report to Us. We may need the police report number to process Your claim or Our recovery action if there is a third party who is liable for Your loss;
- advise Us as soon as possible of the incident likely to lead to a claim under this Policy.

## 7.2 You Must Not

- Whatever the circumstances You or an Insured Person must not:
- admit guilt or fault (except in court or to the police);
- offer or negotiate to pay a claim; or
- admit liability.

## 7.3 Repair Approval

You are not authorised to have Your Bike repaired without Our approval.

Whilst You can choose any licensed repairer to obtain a quotation from, We may invite, accept, adjust or decline estimates or arrange to move Your Bike to another repairer acceptable both of us.

Your chosen repairer's quotation may not be satisfactory if:

- They don't have the equipment or expertise to repair Your Bike;
- the scope of repairs may not be correct; or
- their estimate is not competitive.

We recommend a repair quotation be obtained from the place of the original purchase where possible.

## 7.4 Assistance

For Your claim to be accepted, You and any Insured Person must have complied with all the requirements of this Section and given to Us all relevant information and assistance which We have reasonably requested.

## 7.5 Fraud / Police

If any claim is fraudulent or false in any respect, We may deny part or all of the claim and may recover any costs. We will also report any suspected fraudulent conduct to the police for investigation.

## 7.6 Claims Administration / Notices

When We pay a claim under Your Policy, We have the right to exercise Your legal rights in Your name against the person responsible for the loss or damage.

We'll take full control of the administration, conduct or settlement of the recovery, including any legal defence. When we do any of these things in Your name, it will be at Our expense, however You'll need to give Us reasonable assistance. This may include following Our directions in relation to the conduct of any legal proceedings even after a claim has been paid. During the administration, conduct or settlement of the recovery, You can seek an update on the status of proceedings and We will consult You where appropriate.

When We pay a claim and some of the loss isn't covered by Your Policy, We may offer to try to recover that loss for You when we take any steps to recover the covered loss. We can only do so if You agree to give Us documents that support Your loss and agree with Us on how We'll handle that recovery.

You may also need to contribute to the associated costs if, to recover the loss for You, We need to take additional steps that We wouldn't otherwise need to take. We will talk to You about these steps before We take them.

If You've received a benefit under Your Policy that You were not entitled to, We reserve the right to recover from You the amount We have paid. If We decline a claim for fraud, We reserve the right to recover Our reasonable administration, investigation and legal costs.

## 7.7 Claim Form

In order for Us to assess Your claim, You must promptly and accurately complete a claim form and deliver it to Us with any additional supporting documentation that may be reasonably required.

## 7.8 Salvage

We are entitled to any salvage value including any rebates of Government charges, registration fees and/or CTP charges, if We pay out on Your Bike on a Total Loss basis or for damaged items that have been replaced.

## 7.9 Contribution and Other Insurance

When making a claim, You must notify Us of any other insurance that You're aware will or may, whether in whole or in part, cover any loss insured under Your Policy.

If at the time of any loss, damage or liability there's any other insurance (whether issued to You or any other person) which covers the same loss, damage or liability You must provide Us with any reasonable assistance We require to make a claim for contribution from any other insurer(s).

# Section 8 – Other Conditions that Apply to Your Policy

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## 8.1 Premium and Approval of Application Form

In order for cover under Your Policy to exist, the Premium must have been received in full by Us and Your Application Form must have been received by Marsh and accepted by QBE.

## 8.2 Changes to Your Policy

If You want to make changes to any of the information shown on Your Policy Schedule, You must notify Us. Any changes You make to Your Policy become effective when:

- We agree to the changes in writing; and
- You have paid any additional Premium which We require.

## • 8.3 Cancellation

### 8.3.1 Cancellation by You

You may cancel the Policy at any time by giving Us notice in writing.

### 8.3.2 Cancellation by Us

- a) during the Period of Insurance.

We may cancel this Policy on any of the following grounds set out in the *Insurance Contracts Act 1984* (Cth):

- i. You failed to comply with the duty of utmost good faith;
- ii. You failed to comply with the duty of disclosure;
- iii. You made a misrepresentation to Us prior to entering into the Policy;
- iv. You failed to comply with a provision of the Policy, including with respect to payment of the premium;
- v. You have made a fraudulent claim under the Policy.

We will always tell You of this in writing.

- a) on expiry of this Policy

We may cancel this Policy at the end of the Period of Insurance. If this is about to happen, in accordance with the terms set out in the *Insurance Contracts Act 1984* (Cth), We will tell You in writing at least 14 days prior to the expiry of the Policy.

### 8.3.3 Premium Refund

On cancellation, a refund of the premium will be made equal to the unexpired period of this Policy less any non-refundable government fees, duties or charges.

If We have paid a Total Loss claim this Policy will cease and You will not be entitled to a refund of Premium.

## 8.4 Sending you documents

We may send letters, policy and other related documents to You. If We email them to You, We'll consider the email to be received by You 24 hours after We send it.

Please make sure We have Your current email and mailing address on record and let Us know as soon as these change.

## 8.5 Preventing our right of recovery

If You've agreed with or told someone who caused You loss, damage or liability covered by your Policy that You won't hold them responsible then, to the extent We've been prejudiced by this act, We won't cover You for that loss, damage or liability.

## 8.6 Goods & Services Tax (GST)

If You are not a Goods and Services Tax (GST) Registered entity and You are liable to pay GST in respect to Your claim without being entitled to an input tax credit, We will pay the GST. If You are a GST Registered entity entitled to an input tax credit for Your Premium and/or for things covered by Your Policy, You must disclose these entitlements to Us. Any claim payment under Your Policy will be

reduced by the amount of any input tax credits to which You are, or would be, entitled.

## 8.7 Australian Currency

All payments by You to Us and by Us to You or someone else under Your Policy must be in Australian currency.

## 8.8 Governing Law

Your Policy is governed by the laws of Australia. Any dispute or action in connection with Your Policy shall be conducted and determined in the courts of Australia.