

bikesure™



Bikesure Sport

Stand Alone Bicycle Insurance

Product Disclosure Statement

Dated 1 July 2011



Welcome to the Bikesure Sport Insurance, a tailored product for cycling enthusiasts.

This product is issued by Calliden Insurance Limited ABN 47 004 125 268; AFS Licence No. 234438 and distributed by SRG Group Pty Ltd trading as Bikesure ABN 52 113 333 109; AFS Licence no. 288320, who are licensed insurance brokers and an agent of Calliden Insurance Limited.

The information in this booklet is current at the date of preparation. If the information changes we will issue a supplementary or replacement product disclosure statement.

The benefits of this policy are highlighted in the Product Disclosure Statement section of your policy. If you require further information please contact Bikesure on 1300 441 543 or visit www.bikesureonline.com.au

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Important Information

About this Product Disclosure Statement

This booklet is the Product Disclosure Statement (PDS) for Bikesure Sport Insurance. It will assist you to make an informed decision about your bicycle insurance. It contains information about the policy, its features, benefits, risks and costs. Please read it carefully.

If we accept your application you will receive a policy schedule that summarises the insurance cover you have selected.

This PDS is effective from 1 July 2011.

Your Records

This PDS and your policy schedule are a record of your cover. They are important documents containing the terms and conditions, which apply to our agreement. You may need to refer to them periodically, particularly when your policy is due for renewal or at the time of a claim. Please keep them in a safe place.

In the event of a claim we may require you to produce evidence of ownership and/or value of the items lost, stolen, or damaged. Please keep such evidence in a safe place.

Our Agreement

The agreement between you and Calliden Insurance consists of:

- your application.
- this PDS.
- your policy schedule.
- any endorsement.

A policy schedule is issued when we agree to cover you and you have paid (or agreed to pay) the premium including any relevant government charges by the inception/due date.

Our liability is limited to:

- the period of insurance shown on your policy schedule.
- the policy sections set out on your policy schedule.
- the sum(s) insured set out on your policy schedule unless we have agreed to pay more as an additional benefit.

The Insurer

The insurer of this Policy and issuer of this PDS is Calliden Insurance Limited (ABN 47 004 125 268, AFS Licence No. 234438).

Level 7, 100 Arthur Street,
North Sydney, NSW 2060
Ph: 02 9551 1111

Calliden Insurance Limited (Calliden) is a public company incorporated in Australia. It is authorised under the Insurance Act 1973 (Cth) to conduct insurance business in Australia. That Act establishes a system of financial supervision of general insurers in Australia. As an authorised insurer, Calliden is regulated by the Australian Prudential Regulation Authority.

Calliden is also regulated under the Corporations Act 2001 and is the holder of an Australian Financial Services Licence (AFS Licence No. 234438) issued pursuant to that Act. As a holder of an AFS Licence, Calliden is regulated by the Australian Securities and Investments Commission (ASIC).

Calliden specialises in manufacturing general insurance products for individuals, the SME sector and groups across metro and regional Australia.

About the Agent

SRG Group Pty Ltd trading as Bikesure ABN 52 113 333 109; AFS Licence no. 288320 (Bikesure) arranges policies for and on behalf of Calliden.

Bikesure acts under a binding authority given to it by the insurer to administer and issue policies, alterations and renewals. In all aspects of the policy Bikesure acts as an agent for the insurer and not for you.

Your Cooling-off Period

Please read this PDS and your policy schedule carefully to make sure you understand the cover provided and that it is adequate. You have 14 days after you receive your schedule to alter your cover should you need to. If, for any reason, you are not completely satisfied with your policy we may agree in writing to alter it to meet your needs. Alternatively, you may cancel your policy within the 14 day period by returning it to us with your written instruction.

If you cancel within the 14 day period the premium you have paid will be refunded provided no event has occurred for which a claim is payable under your policy.

General Insurance Code of Practice

Calliden is a signatory to the General Insurance Code of Practice (Code). The Code aims to raise standards of service between insurers and their customers. Calliden's service standards are in accordance with the Code.

For any information about the Code, including a copy of the Code, contact us or the Financial Ombudsman Service on 1300 78 08 08 or look at www.codeofpractice.com.au

Privacy

Calliden Insurance respects your privacy and operates at all times in accordance with its privacy policy. This privacy notification provides a summary of how we treat your privacy, and it is recommended that you read the policy in conjunction with this notice.

We collect personal information to assess your request for insurance, to administer your policy, provide other insurance services as requested by you, and also to notify you about our other services or promotions from time to time. At the time of collecting your information we will inform you of the purpose for the collection and the consequences if you choose not to provide the information.

In order to provide our insurance services we may need to share your information with third parties including your agent or broker and our reinsurers and claims providers (for a full list see our privacy policy).

In accordance with our privacy policy you may obtain access at any time to information that we or our service providers hold on you. If you would like to contact us about privacy, or would like to obtain a copy of the privacy policy, you may do so through one of the following means:

- online at www.calliden.com.au.
- by phone 1800 805 899.
- by email to privacy@calliden.com.au.
- by letter to Privacy Officer, PO Box 348, Milsons Point, NSW 1565.

Dispute Resolution Process

How you can resolve a complaint you have with us

If you would like to make a complaint, we will do everything we can to try to resolve it as quickly and fairly as possible. The following paragraphs provide details on how you can lodge your complaint and how Calliden will try to resolve it.

You may contact us at any time if you are dissatisfied with any matter relating to your insurance with Calliden, including:

- our decision on your claim.
- our handling of your claim.
- the service of our representatives, assessors, loss adjusters or investigators, and
- your insurance policy.

Contact us

- If you have a complaint regarding your claim, please contact your claims consultant.
- If you have a complaint regarding your insurance policy, please contact us on 02 9551 1111 and we will try to resolve your complaint straight away.
- You can write to us at:
 - Fax: 02 9551 1155.
 - Address: PO Box 348, Milsons Point NSW 1565.

How we resolve complaints

- We will address all complaints, except where specific circumstances apply, in accordance with Calliden's Complaints Handling Process. This process is compliant with the Insurance Council of Australia's Code of Practice. Both the Code of Practice and our Complaints Brochure, which contains a guide to our process, are available upon request.
- We will handle all complaints without cost to you.
- A complaints consultant will be assigned to the management of your complaint and will acknowledge your complaint within 2 business days of receipt. If further information is required to consider the complaint, it will be requested at this time.
- The complaints consultant will aim to resolve your complaint within a further 13 business days. In certain circumstances a longer period may be required, and we will request a later response date.
- The outcome of the complaint will be advised to you in writing, stating our reasons and any corrective action that will be undertaken.

If your complaint is still unresolved

If we cannot resolve your complaint within 15 business days or you are not happy with our response to your complaint, you can seek an external review via our external dispute resolution scheme, administered by the Financial Ombudsman Service (FOS).

This national scheme is for consumers, free of charge and is aimed at resolving disputes between insureds and their insurance companies.

For more information call 1300 78 08 08 or visit www.fos.org.au

If the FOS is unable to address your complaint then Calliden may be able to provide you with details of an alternative external dispute resolution service.

Your Duty of Disclosure

Whether you are entering into a policy for the first time or are proposing to renew, vary, extend or reinstate a policy you have a duty of disclosure:

Your Duty of Disclosure for new policies

When answering our questions you must be honest and you have a duty under law to tell us anything known to you, and which a reasonable person in the circumstances, would include in the answer to the question. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms.

Your Duty of Disclosure for renewals

If you have already entered into a policy and you are proposing to renew, vary, extend or reinstate the policy your duty of disclosure changes. You have a duty to tell us of everything that you know, or could reasonably be expected to know, that is relevant to our decision to insure you and to the terms of that insurance. If you are not sure whether something is relevant you should inform us anyway.

Who needs to tell us?

It is important that you understand you are answering our questions in this way for yourself and anyone else that you want to be covered by the policy.

What you are not required to disclose:

Your duty does not require disclosure of matters that:

- reduce the risk.
- are common knowledge.
- we know or, in the ordinary course of our business, ought to know, and
- we have indicated we do not want to know.

If you do not tell us

If you do not answer our questions in this way or disclose everything you know, we may reduce or refuse to pay a claim, or cancel the policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat this policy as never having been in force.

Significant Features and Benefits

Your policy provides you with cover for accidental loss of or damage to your bicycle, including when you participate in a racing risk under Section 1. This policy also provides cover for your legal liability arising from the use of your bicycle, including when you participate in a racing risk under section 2.

Benefits payable under your policy are listed in the relevant section. Some benefits are payable within the limit of your sum insured, while others are payable as additional benefits. It is important that you select an adequate sum insured in each case.

In addition to the protection provided by your policy, Calliden Insurance offers the following important benefits:

- a choice of payment methods – refer to 'Cost of Your Policy' on page 4.
- a 14 day cooling-off period – refer to 'Your Cooling-off Period' on page 2.
- new for old replacement of your bicycle if it is declared a total loss within two years of your purchase of it new - refer to 'Repair or Replacement of your Bicycle' on page 12.

Cost of Your Policy

The amount that we charge you for this insurance when you first acquire your policy and when you renew your policy is called the premium. The premium is the total that we calculate when considering all of the factors which make up the risk, such as:

- the type of bicycle and bicycle accessories.
- the sum insured value.
- your previous insurance and claims history.

The total cost of your policy is shown on your policy schedule and is made up of your premium plus Government Taxes such as, GST, Stamp Duty and Fire Service Fees.

Paying Your Premium

Various options are available for paying your premium.

What happens if you do not pay the cost of your policy by the due date?

We will have the right to cancel your policy if you do not pay your premium by the due date or if your payment method is dishonoured and therefore we have not received your payment by the due date. Unless we tell you, any payment reminder we send does not change the expiry of your cover or the due date of your premium.

Other costs, fees and charges

Other costs, fees and charges which may be applicable to the purchase of your insurance policy include:

Costs or Fees	Details
Refund of Premium	<p>You may cancel your policy at any time. If you choose to cancel your policy we will retain a portion of premium which relates to the period for which you have been insured. We will refund the residue for the unexpired period, less any non-refundable government taxes or charges, provided that:</p> <ul style="list-style-type: none"> no event has occurred where liability arises under the policy, and the residue amount is over \$20.
Commissions	<p>Your broker or insurance intermediary may receive a commission payment from us when your policy is issued and renewed. If you cancel your policy, this commission payment may be non-refundable. For details of the relevant commission paid, please refer to your FSG, SOA or contact your broker or insurance intermediary directly.</p>

Excess - Standard

Your policy has a standard excess of \$300 for each claim made (including liability claims) under this policy.

Excess - Bicycles

The following specific excesses will apply in the event of a claim for loss or damage:

- whilst you are participating in a racing risk - \$500 excess.
- to a carbon frame bike - \$500 excess.

GST Information

When we make a payment for the acquisition of goods, services or other supply, we will reduce the amount of the payment by the amount of any GST input tax credit that you are, or will be, or would have been, entitled to in relation to that acquisition, whether or not that acquisition is actually made.

When we make a payment under this policy as compensation (instead of payment for the acquisition of goods, services or other supply) we will reduce the amount of our payment by the amount of any GST input tax credit that you would have been entitled to had the payment been applied to acquire such goods, services or other supply.

Significant Risks

Duty of disclosure

You are obliged to provide reliable information and to comply with 'Your Duty of Disclosure' on page 3, which outlines your disclosure obligations and the consequences of not complying with these obligations.

Conditions, exclusions and policy limits

Read this PDS carefully so that you are fully aware of the cover provided by the policy and the conditions, exclusions and policy limits that apply to your insurance.

Failure to pay your insurance premium

For your insurance to remain operational you must pay the insurance premium by the due date. Refer to page 8, Cancellation.

Specific Conditions - Bicycle

There are Specific Bicycle Conditions set out in the General Conditions section on page 7 regarding the security, proof of ownership, condition and modification of your bicycle. These conditions must be complied with and failure to comply may result in a claim for your bicycle being denied.

Terms We Use in this Policy

In this policy some words have special meanings:

accessories: any equipment added and fixed to your bicycle which are not part of the manufacturer's original specifications for your bicycle make, model or series. Excluding riding gear (helmets, shoes, riding clothes etc.)

act of 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.
- involves damage to property.
- endangers life other than that of the person committing the action.
- 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.

approved lock: any cable, chain, loop or "D" lock secured with either a combination or key locking mechanism provided such lock and/or locking mechanism is manufactured from a reputable lock manufacturer and is adequate for its intended purpose.

bicycle: any cycle, tricycle, tandem or recumbent powered by human pedalling (non-motorised vehicle) operated by the use of foot or hand pedals which complies with the manufacturer's original specification for its relevant series, make or model.

bicycle computer: any computer attached to your bicycle which measures speed, distance, heart rate etc. Excluding any personal computer used for virtual wind training riding by you.

common property: an area within a Strata title or Company title complex which is able to be used by many people e.g. stairs, driveways, car parks and the like.

depreciation: the allowance for fair wear and tear against the cost of replacement of any personal property based on its age and condition at the time when loss or damage occurs.

electronic data: facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programs, software and other coded instructions for such equipment.

endorsement: our written confirmation of any policy amendments.

excess: the amount(s) shown in the policy schedule which we require you to pay towards any claim against this policy.

immovable object: any:

- solid object fixed in or on to concrete or stone, which is not capable of being undone or removed in order to release your bicycle when securely locked;
- a properly fixed vehicle bicycle rack.

impact: collision of two or more objects resulting in loss or damage.

period of insurance: the period of time stated in the policy schedule for which your policy is in force.

policy: includes this PDS/policy wording, the application, the schedule and any special conditions or endorsements issued to you in either electronic or written form.

policy schedule/schedule: this document shows your policy number, details of your cover, options you have chosen and any excess you must pay. This is part of your policy.

premium: amount payable by you for the insurance provided by us under this policy including applicable taxes, duties and imposts.

racing risk: any organised competition that involves competitive participation; including road cycling events, off-road cycling events, triathlons, duathlons, time trials or any other organised racing event.

securely locked:

- locking your bicycle to an immovable object through the frame and wheels by an approved lock; or
- leaving your bicycle within a building at your home which has all external doors and windows locked and any security devices (eg alarms) in operation.

sum insured: the amount which is the limit we will pay for any loss, damage or liability unless we have agreed in writing otherwise. The principal sum(s) insured are shown in your policy schedule and any sub-limits or variations are outlined in this booklet.

unattended: when your bicycle is out of your direct line of sight or your bicycle is more than 5 metres away from you.

we, us, our: Calliden Insurance Limited
ABN 47 004 125 268 and AFS Licence No. 234438)
Level 9, 11–33 Exhibition Street, Melbourne VIC 3000.

you, your, insured(s): the person(s) or corporation named in the policy schedule and including your spouse, partner, children, parents or other family members residing permanently with you.

General Conditions

You must meet certain conditions for your insurance cover to apply. For example, you must pay the premium. If you do not meet the conditions of cover, we may refuse to pay a claim or reduce the amount that we pay for any claim. For full details of all the conditions of cover that apply, please read this policy wording in full.

You are obliged to provide reliable information and to observe policy provisions in order to receive benefit under our agreement. We may refuse your claim, reduce our liability and/or cancel your policy(ies) should you fail to fulfil this obligation. See 'Your Duty of Disclosure' on page 3.

Your Duty of Care

You must exercise all reasonable precautions:

- for the safety and protection of the insured property.
- to prevent personal injury or damage to property.
- to maintain the security arrangements as part of our agreement, and
- to obey any laws or regulations that safeguard people or their property.

Policy Matters

Territorial matters

- Limitations to benefit under the sections of this policy are:
- Section 1 – Bicycle Insurance - anywhere in the world.
- Section 2 – Legal Liability Insurance - anywhere in the world.

Alteration of risk

You must notify us as soon as possible in writing of any change which may affect the state, condition or use of the property insured which increases the risk of loss, damage or liability. Unless and until we agree in writing to cover the alteration of risk and you pay any additional premium required we shall not be liable for the loss, damage or liability caused by or contributed to by such alteration.

Where a return premium results from an endorsement we will refund the amount provided that no event has occurred where liability arises under the policy and provided the return amount is over \$20.

Payment of Premium

It is a condition of this contract of insurance that you pay the insurance premium. This insurance contract will not be in force until your premium is paid and we will not be liable for any loss or damage prior to the payment of your premium.

Renewal obligations

Renewal of this policy beyond the period stated in your policy schedule is subject to there having been no change in the risk insured. You are obliged to notify us of any changes or any relevant matters that may have occurred during the prior period of insurance which may affect our willingness to accept your renewal. Please refer to 'Your Duty of Disclosure' on page 3.

Transfer of interest

No interest in this policy may be transferred without our written consent.

Cancellation

By you

You may cancel this policy at any time by telling us in writing. We will retain a portion of premium which relates to the period for which you have been insured. We will refund the residue for the unexpired period provided that no event has occurred where liability arises under the policy and provided the residue amount is over \$20.

By us

We may cancel this policy at any time as allowed by law by notifying you in writing of the date from which cancellation is to take effect. Notification will be delivered to the address last notified to us and cancellation will take effect no earlier than 4.00 pm on the date set out in the cancellation notice. We will retain a portion of the premium which relates to the period for which you have been insured and we will refund the residue for the unexpired period.

Other insurance

If you effect (or if there exists to your knowledge) any other insurance covering loss, damage or liability insured by your policy, you must notify us immediately and provide us with details of such other insurance.

Subrogation

We have the right on your behalf (and in your name) to conduct any negotiation, settlement or legal proceeding, whether prosecuting or defending. Your full co-operation is required in these matters. Where you have entered into an undertaking with any other party which prevents or limits your/our right to recover from that party all benefit under this policy is forfeited unless you have our prior written consent.

Fraud

All benefits may be forfeited, our liability reduced and/or your policy(ies) cancelled if you or any person acting with your knowledge or consent or on your behalf:

- engages in any dishonest or fraudulent activity as a means to obtain benefit from this policy, or
- wilfully causes any loss, damage, or liability to the property insured.

Specific Conditions – Bicycle

Bicycle Security Condition

Subject to the policy terms and conditions, we will cover your bicycle if it is stolen, accidentally damaged or lost anywhere in the world subject to the following security conditions for your bicycle. Failure to comply with the following security conditions may result in a claim being denied:

While at home or kept on common property

When your bicycle is at your home or kept on common property and you are not in attendance, you must ensure that the bicycle is securely locked:

- in a fully enclosed building or outbuilding with walls and a roof, or
- securely locked using an approved lock through the frame of your bicycle to an immovable object.

Away from your home

While away from your home, your bicycle must be securely locked using an approved lock through the frame of the bicycle to an immovable object whenever it is left unattended.

While being transported

If your bicycle is in transit or left unattended while it is in, or attached to, any motor vehicle it must be:

- locked in an enclosed motor vehicle boot that is not accessible by removing any partition or breaking a window.
- securely locked using an approved lock through the frame of the bicycle to a motor vehicle roof rack or fixed vehicle bicycle rack.

Use of a lock which is not an approved lock requires our prior written consent.

Bicycle Proof of Ownership Condition

In the event of a claim, we will require proof that you owned the bicycle and of its value. Proof of ownership includes, but is not limited to furnishing receipts, invoices, bank or credit card statements or contracts of sale documents for the bicycle covered under this policy. Failure to comply with these security requirements may result in a claim being denied.

Bicycle Accessories

We will only cover your bicycle if it complies with the manufacturer's original specification for the bicycle model or series. You must notify us immediately if your bicycle is altered or modified from the manufacturer's original specification.

Modifications to your bicycle will be only be covered if:

- we agree to cover the modification to your bicycle; and
- you pay us any additional premium required; and
- we confirm in writing that the modification, non standard accessory, custom components or extras are covered.

State of Repair & Condition

We will only cover your bicycle if it is kept in a good state of repair and condition.

Claims Matters

As soon as possible after an event occurs which may result in a claim under this policy you must at your own expense:

- take all reasonable precautions to prevent or minimise further loss, damage or liability.
- notify the police immediately if any of your property is lost, stolen, maliciously or intentionally damaged, or such loss is attempted or suspected.
- take all reasonable steps to recover lost or stolen property, and assist in apprehending any guilty party.
- contact us and provide us with details of what has happened by:
 - telephoning 1800 786 747, 24 hours - 7 days a week.
 - writing to: Claims Department, Calliden Insurance Limited, PO Box 348, Milsons Point NSW 1565.
 - complete and submit a claim form for our consideration with full particulars of your loss including details of any party who may be responsible.
- give us the opportunity to inspect any loss or damage before you carry out any repairs.
- keep any damaged or recovered stolen property and allow us to inspect it if necessary.
- obtain our consent before you authorise or commence repairs or otherwise incur any cost, unless the repair or cost is necessary to protect the insured property from further loss, and
- not admit, deny, or negotiate any claim with any person.

General Exclusions

These General Exclusions apply to all sections of the policy.

In addition to these General Exclusions, sections of this policy may be subject to specific exclusions.

This policy does not cover:

- the amount of any excess shown in your policy schedule.

Loss, damage, destruction or liability directly or indirectly caused by or arising out of:

- intentional actions of you, any person residing with you, or any person acting on your behalf or with your knowledge or consent or who enters your home with your express or implied consent.
- gradual deterioration, wear and tear, fading, marking, scratching, denting, chipping or lack of upkeep or maintenance.
- inherent defects, faulty workmanship or materials, structural defects or faulty design.
- any pre-existing loss or damage.
- any process of cleaning, repairing, altering, restoring, renovating or dyeing.
- any process necessarily involving the application of heat.
- corrosion, rust.
- flood.

Loss, damage, consequential loss, cost or expense, disablement or liability directly or indirectly caused by, contributed to by, resulting from, or arising out of 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. This also excludes loss, damage, cost or expense directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any action in controlling, preventing, suppressing, retaliating against, or responding to any act of terrorism.
- war (whether war be formally declared or not), any hostilities, invasion, acts of foreign enemies, war-like operations or civil war.
- mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, military or usurped power, confiscation, nationalisation, requisition, legal seizure or destruction of or damage to property by or under order of any government, public or local authority or looting, sacking or pillage following any of the above.
- the use, existence or escape of nuclear weapons or material, ionising radiation or contamination by radioactivity from any nuclear fuel or nuclear waste or from the combustion of nuclear fuel.
- contamination or pollution of land, air or water arising directly or indirectly from the actual, alleged or threatened discharge, dispersal, release, seepage, migration, emission or escape of pollutants or the cost of testing, monitoring, containing, removing, nullifying or cleaning up pollutants, or any fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal, release or escape of pollutants.
- total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of electronic data, or any error in creating, amending, entering, deleting or using electronic data, or total or partial inability or failure to receive, send, access or use electronic data for any time at all, or any business interruption losses resulting therefrom, regardless of any other contributing cause or event whenever it may occur, unless such loss or damage is a direct consequence of otherwise insured physical damage.
- the use of an intranet or the internet (including but not limited to the World Wide Web and electronic mail systems) by you or on your behalf.

How We Settle Claims

When your personal property including your bicycle is insured

We will at our option unless limited by this part:

- repair the property to a condition equal to but not better or more extensive than its condition when new.
- replace the property with the nearest equivalent new property available.
- pay the cost of replacement or repair.

Where it is evident that tyres, chains, clusters, chain rings, bearings, seals, shocks, forks and other accessories have been affected by wear, tear, rust or corrosion. You may have to contribute towards the cost of repairing or replacing the affected items. The amount that you are required to contribute will be determined by the amount of wear and tear or rust and corrosion evident when the damage occurs.

Limitations

The following limitations apply:

- the most we will pay for any claim for your bicycle is the sum insured shown on your schedule, except where a benefit is shown as an additional benefit.
- we will not pay more than the limits shown for any insured event, additional benefit, or group or class of property.
- if any part necessary for repair or replacement of your bicycle is not available in Australia, the most we will pay for such part will be the lesser of the manufacturer's most recent Australian price list or the list price of the closest equivalent part available in Australia.

Excess

When you make a claim under the bicycle or liability sections of your policy you will have to pay the excess shown on your policy schedule.

Trade discounts

Note that in settling your claim we may be entitled to receive trade discounts from suppliers. If we agree to pay you an amount for loss or damage to your personal property we may take into account our entitlement to such trade discounts.

Section 1 - Bicycle Insurance

What we will pay

We will indemnify you for accidental loss of or damage to each bicycle individually listed in your policy schedule during the period of insurance.

Racing Risk

We will indemnify you for accidental loss or damage to each bicycle individually listed in your policy schedule caused by, arising directly or indirectly out of or in connection with your participation in a racing risk.

Additional Benefits

The following Additional Benefits are included in your cover under Section 1:

New Replacement of your Bicycle within 2 years

If we declare your bicycle to be a total loss, within two years from the date of its original purchase, where you are the first owner of the bicycle, we will, at our option and subject to local availability replace your bicycle with a new bicycle of the same make, model and series, with the same accessories as declared in the application or policy schedule less any excess that may be applicable.

We will be entitled to take over ownership of your bicycle if it is declared a total loss.

Optional Cover – Accessories

You have the option to cover your accessories under this policy. If we agree to cover your accessories an additional premium will be payable by you.

If your accessories are noted on your schedule, we will cover loss or damage to your accessories when they are either attached to, or used in conjunction with your bicycle at the time of an insured event under this policy.

We will not cover your accessories if they are stolen or damaged in an incident not involving your bicycle

If we confirm in writing, your policy will be extended to include cover for:

- custom parts fitted to your bicycle;
- your bicycle computer;
- custom racing wheels;
- bicycle travel case;
- other bicycle accessories.

Limitations

Specified Accessories

Accessories specifically listed in your policy schedule which we have agreed to cover under this section are insured up to the amount stated in your schedule.

Repair and Replacement of your Bicycle

If your bicycle is not a total loss, we will, at our option repair, pay the cost of repairing your bicycle, or make a cash settlement up to the amount of the sum insured at the time of loss, less any excess that may be applicable. We will be entitled to any residual value of parts replaced.

If we declare your bicycle to be a total loss, we will, at our option either pay the sum insured, any agreed value, or replace your bicycle, less any excess that may be applicable. We will be entitled to take over ownership of your bicycle.

Exclusions

The following exclusions apply:

- theft by someone who was using your bicycle with your consent.
- theft by a tenant or someone who lives in your home or has your consent to be in your home.
- loss or damage sustained in transit, unless the bicycle is secured in accordance with Special Condition - Bicycle Security.
- the bicycle whilst used for any business purpose.
- theft from your home if unoccupied for longer than sixty (60) consecutive days, unless otherwise agreed by us.
- loss or damage caused by theft or attempted theft from internal and external common areas of residential apartments, home units, town houses or any other type of multiple occupancy residence.
- misuse or abuse of the bicycle.
- scratching or denting or any cosmetic damage that does not impair the function and performance of the bicycle.
- rust or oxidation, rot, mildew, mould, corrosion.
- mechanical, electrical or electronic breakdown.
- structural or latent defect or flaws.
- tyres, wheels, fixed accessories or removable parts, unless the bicycle is stolen or damaged in the same event.

Section 2 - Legal Liability Insurance

Words with special meaning

The following words have special meanings applicable to this section only:

occurrence: event or series of events which may include continuous or repeated exposure to substantially the same general conditions, which results in bodily injury or damage to property arising from one original source or cause which is neither expected nor intended by you.

bodily injury: physical bodily harm including sickness or disease that results from it and required care, loss of services and/or resultant death.

personal injury: means bodily injury, shock, fright, mental anguish, mental injury, disability, or the effects of a publication of a libel or utterance of a slander or other defamatory material, including death.

What we will pay

When your bicycle is insured with us, we will indemnify you as the owner of that bicycle, should you become you become legally liable to pay compensation for:

- death or personal injury to any person.
- loss or damage to property.

resulting from an occurrence during the period of insurance caused by or arising attributable to your bicycle, provided such use of the bicycle was in accordance with its intended purpose.

We will also pay the reasonable costs, charges and expenses incurred with our consent in the investigation, settlement or defence of a demand, claim or legal proceeding.

Limitations

The maximum we will pay is \$20,000,000 under this section for any one claim or series of claims arising from any one event inclusive of all reasonable legal costs, charges and expenses.

We will not pay more than this amount in total under all policies we have issued to you which cover the same liability.

Exclusions

We will not pay any claim under Section 2 'Legal Liability Insurance' should liability arise from:

- injury arising, directly or indirectly, out of inhalation of, or fears of the consequences of exposure to or inhalation of, asbestos, asbestos fibres or any derivatives of asbestos.
- that part of any loss, cost or expense for the cost of cleaning up, or removal of, or damage to, or loss of use of, property arising out of any asbestos, asbestos fibres or any derivatives of asbestos.
- any act intentionally committed by you or any person acting with your express or implied consent.
- your business, profession or occupation.
- any personal injury or damage to property which is attributable to or contributed to by the consumption of illegal drugs of any kind by you or provided or permitted by you.
- the transmission or contracting of AIDS or any AIDS related disease or illness, any venereal disease or illness, herpes, or any other communicable disease or illness.
- the use, ownership, control or operation of any motorised vehicle (except a domestic gardening appliance, wheelchair or golf buggy), caravan, trailer, motor cycle, motor scooters, aircraft or any landing area for aircraft or watercraft more than 4m long and/or powered by more than a 10 horsepower motor.
- any liability caused by or arising directly or indirectly out of or in connection with publication of a libel, utterance of a slander or defamation:
 - first made prior to the period of insurance.
 - made by you or on your behalf, with knowledge of its falsity or defamatory character, or
 - in any way related to advertising, broadcasting, publishing or telecasting activities conducted by you or on your behalf, including, but not limited to, the publication of material on the Internet.
- any liability caused by or arising directly or indirectly out of or in connection with:
 - dishonest, fraudulent, criminal or malicious conduct.
 - wilful breach of statute or regulations, or
 - conduct intended to cause personal injury or damage to property (or conduct with reckless disregard for personal injury or damage to property).by you or anyone acting on your behalf or with your knowledge or connivance.
- personal injury or death to you, or any other person(s) living with you, your employee or any other person deemed by law to be employed by you arising out of or in the course of their employment.

- loss or damage to property which is in your physical or legal control.
- loss or damage to property that is owned by you or any of your employees.
- any liability caused by or arising directly or indirectly out of or in connection with any racing risk which occurs outside Australia and New Zealand.
- liability assumed by you under any contract, warranty or agreement unless the liability would have been implied by law irrespective of the agreement.
- fines, penalties, punitive, liquidated, aggravated or exemplary damages.
- a conflict of duty or interest.
- any alleged or actual act or omission committed prior to the commencement of the period of insurance.
- your rendering or failure to render professional advice or any persons rendering or failing to render professional advice that you may be held legally liable for.
- any workers compensation legislation, industrial award or agreement, or statutory accident compensation scheme.



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