

**your product
disclosure statement
and insurance policy**

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motorcycle
product disclosure
statement and
insurance policy

motorcycle

Preparation date:
8 October 2004

This Product Disclosure
Statement and policy wording
is issued by:

Swann Insurance (Aust.) Pty. Ltd.
ABN 80 000 886 680
AFS Licence No. 238292
An IAG Company

The information in this booklet
is current at the date of
preparation. More up-to-date
information may be available
by calling 1300 30 79 26.

We will give you a free copy
of any updates if you request
them. If it becomes necessary,
we will issue a supplementary or
replacement Product Disclosure
Statement.

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Welcome to the security of Swann Insurance

This booklet is important

Product Disclosure Statement

This Product Disclosure Statement (PDS) contains important information required under the Financial Services Reform Act 2001.

Introduction

Who is the insurer

Swann Insurance (Aust.) Pty. Ltd. An IAG Company is the issuer and insurer of the insurance policy. Our Australian Business Number is 80 000 886 680 AFS Licence No. 238292. In this booklet the issuer and insurer are called 'we', 'us' or 'our'.

How to contact us

You may contact us by any of the following ways:

- ◆ In person at any Swann Insurance office.
- ◆ By telephone on 1300 30 79 26.
- ◆ By writing to us at Swann Insurance, GPO Box 9916, in your capital city.

The purpose of this PDS

This PDS has been prepared to assist you in understanding the insurance policy and making an informed choice about your insurance requirements. This PDS sets out the significant features of the insurance policy including its benefits, risks and information about how the insurance premium is calculated. You still need to read and retain the policy wording which commences on page 1 for a full description of the terms, conditions and limitations of the insurance policy.

General Insurance Code of Practice

Swann Insurance proudly supports the General Insurance Code of Practice. The purpose of the Code is to raise the standards of practice and service in the general insurance industry. Details about the Code are shown in the policy wording under 'Code of Practice' on page 1. Brochures on the Code are available from your nearest Swann Insurance office.

Your cooling off-period

We will refund all premium paid for cover under the insurance policy if you request cancellation of the insurance policy within 21 days of its commencement. To do this, you must advise your nearest Swann Insurance office. You will not receive a refund if you have made a claim under the insurance policy. Details about the cooling-off period are shown in the policy wording under 'Cooling-off period' on page 3.

What to do if you have a dispute

If you have a concern about the product, our decision on your claim, sales and marketing, changes to premium and no claim bonus (if applicable), declined insurance, our service or the service of our representatives, loss adjusters or investigators, you may access our internal dispute resolution process.

To do so, please contact your nearest Swann Insurance office. If we are unable to resolve your concern, you may request it be reviewed by the General Insurance Enquiries and Complaints Scheme. This scheme was developed by the Insurance Council of Australia (ICA) and is a free service available to you by calling 1300 78 08 08.

Details about the dispute resolution system are shown in the policy wording under 'Our service commitment' on page 22.

Your privacy

We treat your personal information with care. We will not release your personal information to anyone else other than another insurer, an insurance reference service or as required by law. In the event of a claim, we may disclose information to and/or collect additional information about you from investigators or legal advisers. Details about your privacy are shown in the policy wording under 'The way we handle your personal information' on page 1.

Your duty of disclosure

We rely upon the information you provide in answer to our questions when you apply for insurance. You must tell us anything that you know, or should know, in answer to our questions, that could affect our decision to insure you and/or the terms on which we insure you.

Details about disclosure information are shown in the policy wording under 'Your duty of disclosure' on page 3.

How to apply for insurance

Complete our proposal form. We will issue an interim contract to enable us time to consider your proposal.

If we accept your proposal for insurance, you will receive a policy schedule that confirms cover and sets out details of the insurance you have taken out.

How to make a claim

To make a claim, please contact your nearest Swann Insurance office, or call 1300 30 79 26 when something happens that you believe you can claim for. Details about making a claim are shown in the policy wording under 'Making a claim' on page 20, 'Paying the agreed value' on page 21, 'Repairing your motorcycle' on page 18 and 'What you must pay in the event of a claim' on page 16.

Taxation information

Swann Insurance shows all taxes and charges as separate items on all policy schedules (e.g. stamp duty and the Goods and Services Tax).

Also in your policy wording we explain how the GST affects your claim under 'How the Goods and Services Tax affects your claim' on page 21.

Significant features and benefits

You have a choice of four main levels of cover to select from.

Level of cover	Description of cover provided
Comprehensive	<ul style="list-style-type: none">• Cover for accidental damage to your motorcycle or when your motorcycle is stolen.• Cover for your legal liability for damage to another person's property as a result of an accident up to \$5,000,000 including legal costs and expenses.
Fire and Theft	<ul style="list-style-type: none">• Cover for your motorcycle for damage by fire or when your motorcycle is stolen.

Third Party Liability	<ul style="list-style-type: none">• Cover for your legal liability for damage to another person's property as a result of an accident up to \$5,000,000 including legal costs and expenses.
Third Party, Fire and Theft	<ul style="list-style-type: none">• Cover for your motorcycle for damage by fire or when your motorcycle is stolen.• Cover for your legal liability for damage to another person's property as a result of an accident up to \$5,000,000 including legal costs and expenses.

Damage caused by an uninsured motorist

Where Third Party Liability Cover or Third Party, Fire and Theft Cover is selected you are also covered for accidental damage to your motorcycle in an accident caused by an uninsured motorist. The most we will pay is the market value of your motorcycle or \$5,000 whichever is the lesser.

Agreed value cover

When Comprehensive cover or Fire and Theft cover is selected, you are covered for the agreed value of your motorcycle.

In the first 12 months of the policy, the agreed value is the lesser of the amount stated on your policy schedule or the purchase price of your motorcycle.

Agreed value is the value nominated at the commencement of each period of insurance, and remains the same value throughout that period. You should review your agreed value prior to each renewal of your insurance cover. The agreed value is stated on your policy schedule.

Additional benefits

Where Comprehensive cover is selected, a range of additional benefits is included. These benefits are shown in the policy wording under 'Additional benefits' on page 7.

These include:

Additional benefit description	Amount of cover
New motorcycle replacement <ul style="list-style-type: none">For motorcycles you insure with us from the date of first registration, that are less than 24 months old and have travelled less than 30,000 kilometres.	We will pay to replace your motorcycle with an identical new motorcycle if your motorcycle is a total loss.
Emergency costs - if more than 100 kilometres from home <ul style="list-style-type: none">Repairs.Accommodation/ Travelling.	\$500 \$300
Faultless no claim bonus <ul style="list-style-type: none">Provided criteria met.	All qualifying claims.

Third Party Liability cover

Where you have selected Comprehensive cover, Third Party Liability cover or Third Party Fire and Theft cover, \$5 million property damage liability insurance is included.

Pay your premium by instalments

You can pay your premiums by instalment to help spread your payment over the period of your insurance cover.

An administration charge will apply to use this facility. If you require to know the amount of this charge, please contact us and we will provide you with this information.

Additional optional benefits

Where you have selected Comprehensive cover, one optional additional benefit is available. This optional additional benefit is shown in the policy wording under 'Additional optional benefit' on page 9.

This is available only if you select the option on our proposal form and agree to pay the additional premium variation. These are:

Additional optional benefit	Benefit
Helmet cover <ul style="list-style-type: none">Cover for accidental damage to your helmet.	Up to \$500.
Named rider <ul style="list-style-type: none">You can limit the cover to apply to only the person named in the policy schedule.	Reduction in your premium.
No claim bonus rating 1 protection	<ul style="list-style-type: none">If you are a rating 1 driver, you will not lose your rating 1 if you have a claim that we consider is your fault.Applies to one claim per policy period.

Exclusions

Our insurance is designed to provide protection for you in the event of something happening which has been insured against.

In the policy wording we state when cover is not provided in the particular section that relates to the

specific cover you have selected or under 'General exclusions' on page 12 or 'Rider exclusions' on page 15. It is important that you are aware of these exclusions and so you should read them.

For example, we do not cover you for:

- ◆ Wear and tear.
- ◆ Mechanical failure.
- ◆ Claims contributed to by your motorcycle being unroadworthy.
- ◆ Damage caused by war.
- ◆ Damage to your motorcycle whilst outside Australia.
- ◆ Claims if the rider of your motorcycle was under the influence of alcohol or drugs.
- ◆ The theft of your motorcycle whilst being tested by a prospective purchaser.
- ◆ Claims if your motorcycle is being used for hire or rider instruction.
- ◆ Claims if the rider was not licensed to ride your motorcycle on public roads.
- ◆ Claims if the motorcycle was being used for an illegal purpose.

We also have additional exclusions that apply to Third Party Liability cover under 'Third Party Liability' on page 9.

We do not cover liability for damage to property:

- ◆ That belongs to you or is in your possession.
- ◆ If your motorcycle is being operated without your permission.
- ◆ You agree to accept that would not apply if such an agreement did not exist.
- ◆ Belonging to or in the possession or control of the person operating or using the motorcycle with your permission.

There are things that you must do in order for your insurance cover to apply. For example, you must pay the premium. These things are shown in the policy wording.

Significant risks

Choice of cover

You choose the level of cover that is appropriate to your motorcycle.

Use of your motorcycle

We provide cover for your motorcycle when it is used for private, courier or business purposes if you have disclosed the use correctly to us and we have accepted the insurance on that basis.

Policy limits

Limits do apply to some items. These limits are detailed in your policy booklet.

Disclosure

You have certain disclosure obligations that you need to comply with. Failure to comply with these obligations may have consequences in terms of both your insurance cover or in the event that you make a claim. Your disclosure obligations and the consequences of not complying with these obligations are outlined in the policy wording under 'Your duty of disclosure' on page 1.

Excesses

If you make a claim under the policy, you may be required to pay one or more excesses. The descriptions of these excesses and the circumstances in which they apply are shown in the policy wording under 'What you must pay in the event of a claim' on page 16 and the amount of each excess will be shown under this heading and/or on your policy schedule.

There are five types of excess:

1. Basic excess
2. Age excess
3. Licence excess
4. Special excess
5. Undisclosed rider excess

The excess you must pay is the total of these excess amounts added together unless otherwise stated.

Basic excess

The basic excess is the standard excess applicable to all riders.

Unless otherwise stated on your policy schedule, the basic excess amount will be \$400.

Age excess

The age excess is based on the age of the rider of your motorcycle at the time of an accident.

Unless otherwise stated on your policy schedule, the age excess amount will be \$300 for all riders under 25 years of age.

Licence excess

The licence excess is based on the type of licence the rider of the motorcycle has at the time of an accident.

This excess applies for claims made where at the time of an accident the rider does not hold a full Australian rider's licence or is the holder of a probationary or provisional licence.

Unless otherwise stated on your policy schedule, the licence excess amount will be \$300.

The licence excess will not apply if your motorcycle is stolen or if after you obtain your probationary or provisional rider's licence, you have completed an accredited rider training course which runs for a minimum of six hours in duration

Special excess

The special excess is based on your motorcycle or the driving/riding record and insurance history of those who ride your motorcycle.

If a special excess applies, the amount will be shown on the policy schedule and you must contribute the special excess in addition to all other applicable excesses.

Undisclosed rider excess

You must contribute the undisclosed rider excess of \$500 in addition to all other applicable excesses if your motorcycle was being ridden by a person under 25 years of age who was not nominated on the insurance proposal or any subsequent renewal of your policy.

When an excess will not apply

There are some circumstances where an excess will not apply:

- ◆ Theft claims
If your motorcycle is stolen, you will not have to pay the age excess, licence excess or the undisclosed rider excess.
- ◆ Other claims
You will not have to pay an excess for any claims if, in our opinion:
 1. you or any person using your motorcycle with your permission, were not to blame for the accidental damage caused; and
 2. you give us the name, address and the motorcycle/vehicle registration number of the person responsible; and
 3. you claim for an amount which is more than the applicable excess.

Costs

The premium payable by you will be shown on your policy schedule.

We take into consideration a number of factors in setting our premiums. These include:

1. The frequency claims will occur and the average cost of each claim.
2. The type of cover you have selected.
3. The age of all riders who use your motorcycle.
4. The amount each rider uses your motorcycle.
5. The make, model and type of your motorcycle.
6. The value of your motorcycle.
7. The type and value of any accessories and modifications fitted or made to your motorcycle.
8. What you use your motorcycle for and how much you use it.
9. Where your motorcycle is usually housed.
10. The security and overnight parking of your motorcycle.
11. Your insurance, accident and driving/riding history.

Premiums are subject to Commonwealth and State taxes and/or charges. These include the Goods and Services Tax and stamp duty. The amount of these taxes and/or charges will be shown on your policy schedule.

Important notices

Code of Practice



Swann Insurance proudly supports the General Insurance Code of Practice.

The purpose of the Code is to raise the standards of practice and service in the general insurance industry.

The Code aims to improve:

- ◆ The quality, comprehension and accuracy of policy documents and other information provided to consumers.
- ◆ Employee and representative training and supervision.
- ◆ Claims handling and dispute resolution.

Brochures on the Code are available from your nearest Swann Insurance office.

The way we handle your personal information

We collect personal information from you for the purpose of providing you with insurance products, services, and processing and assessing claims. We will not use your personal information for direct marketing purposes unless we obtain your prior consent.

You can choose not to provide this information, however, we may not be able to process your requests.

We may disclose information we hold about you to other insurers, an insurance reference service or as required by law. In the event of a claim, we may disclose information to and/or collect additional information about you from investigators or legal advisers.

If you wish to update or access the information we hold about you, contact your nearest Swann Insurance office.

Cover

The cover provided by your policy may vary from the prescribed standard cover. It is therefore important that you read and understand your policy.

It is your choice as to whether or not you insure with Swann.

Paying by instalment

If you are paying by instalments and an instalment is 14 days or more overdue, we may refuse a claim. If the instalment is one month or more overdue, we may cancel this policy.

Representative authority

The person selling you this insurance is doing so as our representative and may receive remuneration from us for arranging this insurance.

Handy hints for you

- ◆ At home, it's best to park your motorcycle off the street and preferably in a locked garage.
- ◆ When out, try to avoid parking your motorcycle in poorly lit and isolated locations.
- ◆ As we do not cover theft if your motorcycle is stolen whilst being used by a prospective purchaser, we recommend you take all precautions possible to avoid theft in this instance. E.g. obtain photo i.d., and consider travelling with the purchaser and using an agreed test route.
- ◆ We highly recommend you have an electronic theft device installed on your motorcycle.
- ◆ Ensure all additional riders of your motorcycle are appropriately licensed, particularly for your engine size.

- ◆ Please note that this policy does not cover any damage to your motorcycle when you are riding on a motorcycle track, which includes motorcycle club days and events.

Your duty of disclosure

What you must tell us

Under insurance law, you have a duty to disclose things to us in answer to our questions so that we can decide whether to insure you and on what terms. You meet your duty by being truthful and answering our questions in a way that a reasonable person in the circumstances would answer.

Who needs to tell us

Every person who will be insured by the policy needs to answer the questions in this way.

If you do not tell us

It is important that you answer the questions in this way, otherwise payment for a claim, made by yourself or anyone else insured by the policy, may be reduced or not paid.

If you do not understand

If you do not understand your duty, contact us.

Cooling-off period

If you decide that you do not wish to continue with this policy, you have 21 days after the commencement of this insurance to request cancellation. We will provide you with a full refund of premium paid, provided you have not made a claim under the policy.

Our agreement with you

Provided you have paid the premium, we agree to insure you during the period of insurance for the type of cover selected and stated on the policy schedule, subject to the terms and conditions of the policy.

Your contract

Your insurance policy is a contract between you and us. Your contract is made up of:

- ◆ The proposal.
- ◆ This policy wording.
- ◆ The current policy schedule.

Together, these documents set out the terms and conditions of your policy.

It is your responsibility to make sure that all details contained on the policy schedule are correct.

Definitions

These words in this policy have the following meanings:

Agreed value In the first 12 months of ownership of your motorcycle, it means the motorcycle value stated on the policy schedule or the purchase price (whichever is the lesser). Thereafter, it means the agreed value as stated in the policy schedule.

Accident Means a mishap or a series of mishaps involving your motorcycle that is unintentional and unexpected and arises from a single event.

Accidental damage Means the damage resulting from an accident.

Business use Means that your motorcycle is used by either you or your employee in connection with a business. This does not include situations described under courier use.

Courier use Means your motorcycle is used for business purposes and for the collection or delivery of goods upon no fixed route.

GST Means the Goods and Services Tax as detailed in A New Tax System (Goods and Services) Tax Act 1999.

Legal liability Means the legal responsibility to pay compensation for damage to property other than your own as a result of an accident for which you are at fault.

Motorcycle Means your motorcycle and any accessories/modifications described on the policy schedule. This does not include any CB radio, two-way radio or telephone.

Period of insurance Means the period of cover shown on the policy schedule.

Policy schedule Means the most recent schedule or renewal notice we give you describing the terms and conditions that are specific to your policy. This also includes any amendments we send you in writing.

Premium Means the amount you pay for the insurance.

Private use Means your motorcycle is only used by you for social, domestic and pleasure purposes. This includes commuting to and from your place of employment.

Purchase price Means the amount you paid for your motorcycle including registration, dealer delivery fees, statutory insurance, government stamp duty and GST, but excludes all other costs.

Replacement motorcycle Means a motorcycle you have purchased to replace the motorcycle described on your policy schedule.

Total loss Means that in our opinion your motorcycle is unable to be repaired economically or it has been stolen and not found.

We, us and our Means Swann Insurance (Aust.) Pty. Ltd. ABN 80 000 886 680. An IAG Company.

You and your Means the insured person(s) named on the policy schedule and any other person authorised by you to be in control or possession of your motorcycle. It also means the financier if your motorcycle is subject to a finance agreement, but only to the extent of their interest in your motorcycle.

Type of cover

The type of cover you have is stated on your policy schedule.

1. Comprehensive cover

If you have this cover and your motorcycle suffers accidental damage, we will at our option either:

- ◆ Repair your motorcycle.
- ◆ Pay you the cost of repairing your motorcycle.
- ◆ Pay you the agreed value.
- ◆ Replace your motorcycle.

If your motorcycle suffers accidental damage, we will also pay the reasonable cost of one tow for your motorcycle to be taken to the nearest repairer or place of safety.

Where Comprehensive cover is stated on your policy schedule, all benefits, conditions and exclusions described under Third Party Fire and Theft cover and Third Party Liability cover are also applicable.

Additional benefits

Where Comprehensive cover has been selected and is stated on the policy schedule, the following benefits also apply:

a. Emergency costs

If your motorcycle is stolen or suffers accidental damage more than 100 kilometres from your home that results in a claim on your policy:

- ◆ We will pay up to \$500 (including GST) for emergency repairs necessary to enable you to ride your motorcycle home or to the nearest place of repair.
- ◆ If your motorcycle cannot be safely ridden or it has been stolen, we will reimburse up to \$300 (including GST) for emergency accommodation, travelling expenses or rental car expenses paid by you for you, your spouse and/or de facto and

dependent children travelling with you to return home or to complete your journey.

b. Faultless no claim bonus

If your motorcycle suffers accidental damage, your no claim bonus rating number will not be affected under this policy if, in our opinion, you, or any person using your motorcycle with your permission, were not to blame for the damage caused, and you give us the name, address and vehicle/motorcycle registration number of the person responsible.

c. New motorcycle replacement

If your motorcycle is a total loss and:

- ◆ is less than 24 months old and,
- ◆ has travelled less than 30,000 kilometres (calculated from date first registered),

we will replace your motorcycle with an identical new motorcycle if an identical new motorcycle is locally available.

This benefit will only apply at your request where your motorcycle has been insured by this policy since it was first registered as new, and where an identical new motorcycle is locally available.

If your motorcycle is subject to a finance agreement, we will also require the financier's written consent before we can replace your motorcycle.

If we do replace your motorcycle in this way, we will also pay for the cost of registering the new motorcycle along with the cost of statutory insurance, dealer delivery fees, government stamp duty, and GST.

If agreement cannot be reached on a replacement motorcycle, we will pay you the market value of your motorcycle.

Additional optional benefits

Helmet cover

If your helmet suffers accidental damage as a result of an accident involving your motorcycle, we will replace your helmet, or pay you the cost of replacing your helmet. You are required to pay the applicable policy excess.

The most we will pay for a claim on helmet cover is \$500 (including GST). This amount is in addition to the agreed value.

We will not provide this cover unless you have selected the option and paid the additional premium for it and this is stated on your policy schedule. This benefit does not apply to theft claims.

Named rider

Where you have selected this option and it is stated on the policy schedule, this policy will only operate whilst the person named on the policy schedule is riding or in charge of the motorcycle shown on the policy schedule.

No claim bonus rating 1 protection

If you have selected this cover and at the start of the current period of insurance as shown on the policy schedule and you are entitled to a no claim bonus rating 1, and you make a claim during that period, your no claim bonus rating will not change for the following renewal period. Any other claim that you make during the current period of insurance where, in our opinion, you were at fault, will affect your no claim bonus entitlement.

We will not provide this cover unless you have selected the option and paid the additional premium for it and this is stated on the policy schedule.

2. Fire and Theft cover

If your motorcycle is damaged by fire and is a total loss, or if your motorcycle is stolen and not found, we will pay you the agreed value.

If your motorcycle is damaged by fire and is not a total loss, or if your motorcycle is stolen and found damaged, or if parts of your motorcycle are stolen and either not found or are found damaged, we will at our option either:

- ◆ Repair your motorcycle.
- ◆ Pay you the cost of repairing your motorcycle.
- ◆ Pay you the agreed value.

If your motorcycle is stolen and found damaged or is damaged by fire, we will also pay the reasonable cost of one tow for your motorcycle to be taken to the nearest repairer or place of safety.

3. Third Party Liability cover

We will cover you against your legal liability to pay compensation for damage to someone else's property as a result of an accident.

This damage must be caused by either:

- ◆ The use of your motorcycle.
- ◆ Goods falling from your motorcycle.
- ◆ A trailer being towed by your motorcycle.

This cover is also extended to your employer or any other rider using the motorcycle with your permission and any passengers on the motorcycle.

We will also pay for your legal costs and expenses when our lawyers act in connection with a claim.

The most we will pay in relation to any one accident under this section of the policy is \$5 million, including legal costs and expenses.

We will not provide this cover:

- ◆ If the damaged property belongs to you or is in your possession or control at the time of the accident.

- ◆ If your motorcycle is being operated without your permission.
- ◆ For any liability you agree to accept that would not apply if such an agreement did not exist.
- ◆ For property belonging to or in the possession or control of a person operating or using the motorcycle with your permission.

4. Third Party, Fire and Theft cover

Cover Types 2. Fire and Theft and 3. Third Party Liability are applicable.

Damage caused by an uninsured motorist/motorcyclist

You are covered for accidental damage to your motorcycle in an accident caused by an uninsured motorist/motorcyclist.

The conditions are:

- ◆ We must agree that you would be legally entitled to recover the cost of the damage from the owner or the driver of the other vehicle/motorcycle.
- ◆ You must satisfy us that the owner or driver/rider is not insured for the damage and has refused to pay for it.
- ◆ You must provide us with the name and address of the owner or driver/rider and the registration number of the other vehicle/motorcycle.

The most we will pay is the agreed value of your motorcycle or \$5000 (including GST), whichever is the lesser.

This benefit is only available with covers 3 and 4.

General exclusions

This policy does not cover:

1. The cost of repairing damage your motorcycle had prior to an incident which results in a claim.
2. The cost of repairing faulty workmanship or incomplete repairs previously carried out on your motorcycle prior to an incident which results in a claim, unless you are claiming under the terms of our lifetime guarantee.
3. Wear and tear, depreciation or corrosion.
4. Any loss as a consequence of you being unable to use your motorcycle, including the cost of hiring a vehicle (except as described under 'Additional benefits - a. Emergency costs').
5. Mechanical, structural, electronic or electrical failure.
6. Damage to tyres caused by punctures, bursting, cuts or brake application, unless caused by an accident involving other damage to the insured's property.
7. The cost of any repairs to your motorcycle that have been carried out without our permission (except as described under 'Additional benefits - a. Emergency costs').
8. Any incident resulting in a claim while your motorcycle was in an unsafe or unroadworthy condition that is known or could reasonably be expected to have been known by you, and that condition contributed to the accident.
9. Loss or damage caused by failure to properly safeguard your motorcycle after it was stolen and found, or after it has broken down, or after an accident.
10. Loss or damage deliberately caused by you or a person using your motorcycle with your permission, a person acting on your instructions or on the instructions of a person using your vehicle with your permission.
11. Loss or damage caused to your motorcycle as a result of legal seizure.
12. Loss or damage caused by war, warlike activities, civil disturbance, nuclear waste or any nuclear material.
13. Loss or damage caused by any person insured by this policy stealing, absconding or otherwise misappropriating your motorcycle.
14. Loss or damage that occurs whilst your motorcycle is in the care, custody or control of a licensed motorcycle dealer for the purpose of sale.
15. Loss or damage to any clothing or protective wear that may be damaged as a result of an accident or if they are stolen, (except as described under helmet cover).
16. Damage to your motorcycle by scratching or bruising whilst in transit.
17. Loss, damage or liability while a trailer is being used in connection with the insured's property, unless such a trailer is constructed specifically for a motorcycle by a commercial manufacturer.
18. Loss or damage to any component, part or accessory of your motorcycle that occurs while such component, part or accessory has been removed from the motorcycle.
19. Any costs associated with locating, importing or transporting parts as a result of a claim, where such parts are not normally available from the motorcycle manufacturer or its recognised distributor within Australia. Furthermore, if any part is unavailable in Australia, the most that we will pay in relation to any such part will be the lesser of:
 - The manufacturer's most recent Australian list price.
 - The list price of the closest equivalent part available in Australia.
 - The actual cost of having a new part made in Australia.

20. Any claim where an instalment of premium is 14 days or more overdue for payment.
21. Contamination by chemical and/or biological agents, which results from an act of terrorism. Terrorism is any act which may, or may not, involve the use of, or threat of, force or violence where the purpose of the act is to further a political, religious, ideological aim or to intimidate or influence a government (whether lawfully constituted or not) or any section of the public.

We may refuse or reduce a claim or cancel this policy, or do both, if at the time of an incident resulting in a claim:

22. Your motorcycle was being used to carry hazardous or inflammable goods in quantities above that used for normal domestic purposes.
23. Your motorcycle was being used for hire, rider instruction or conveyance of passengers, for fare or reward except whilst your motorcycle is being used for pillion passenger tours and you and your motorcycle are licensed to conduct such tours.
24. Your motorcycle was being used or tested in preparation for any motor sports or use on any motorcycle track, except where you are participating in an approved rider course with our consent.
25. Your motorcycle was outside of Australia.
26. Your motorcycle had been modified from the manufacturer's specifications, unless we had agreed to cover it.
27. Your motorcycle was being used for fast food delivery.
28. Your motorcycle was being used for towing and or motorcycle haulage in connection with the motor trade or breakdown service.
29. Your motorcycle was being used in connection with emergency or law enforcement services.

30. Your motorcycle was unroadworthy or unregistered at the time of the accident.
31. Your motorcycle was stolen whilst being tested by a prospective purchaser.

Rider exclusions

This policy does not cover any incident resulting in a claim where at the time of the incident the rider or the person in charge of your motorcycle:

1. Was under the influence of alcohol or drugs.
2. Was in excess of the statutory prescribed legal limit for blood alcohol content.
3. Refused to take a test for alcohol or drug content.
4. Was not licensed to drive it on public roads.
5. Has made any admissions, offers of settlement or attempted to defend any claim without our written consent.
6. Fails to comply with all obligations that by law they are required to comply with following an incident that may result in a claim.
7. Was carrying a load or towing a trailer or side car illegally or in an unsafe condition or in excess of the maximum weight specified by the motorcycle manufacturer.
8. Was using it for an illegal purpose.
9. Is not truthful in any statement made in connection with a claim.
10. Has not taken reasonable precautions to avoid the incident.
11. Did not immediately make a report to Police when he or she suspects that the motorcycle or items attached to the motorcycle have been stolen.
12. Fails to report the accident to Police or remain at the scene of the accident long enough for interested persons to attend.

What you must pay in the event of a claim

Excess

Before we make any payments in relation to a claim on this policy, the full annual premium must be paid by you. The excess is the first amount you must pay in relation to each claim on this policy. We will not make any payments to you or any other party in relation to a claim until the excess has been paid in full.

There are five types of excess:

- ◆ Basic excess.
- ◆ Age excess.
- ◆ Licence excess.
- ◆ Special excess.
- ◆ Undisclosed rider excess.

The excess you must pay is the total of these excess amounts added together unless otherwise stated.

Basic excess

The basic excess is the standard excess applicable to all riders. Unless otherwise stated on your policy schedule, the basic excess amount is \$400.

Age excess

The age excess is based on the age of the rider of the motorcycle at the time of an accident. Unless otherwise stated on your policy schedule, the age excess amount is \$300 for riders under 25 years of age.

You do not have to pay an age excess if your motorcycle is stolen.

Licence excess

The licence excess is based on the type of licence the rider of the motorcycle has at the time of an accident.

This excess applies for claims made where at the time of an accident the rider does not hold a full

Australian riders licence or is the holder of a learners permit or a probationary or provisional licence.

Unless otherwise stated on your policy schedule, the licence excess amount will be \$300.

You do not have to pay a licence excess if your motorcycle is stolen or if you have completed an accredited rider training course which runs for a minimum of six hours duration (with proof), after obtaining a probationary or provisional riders licence.

Special excess

The special excess is based on your motorcycle or the driving/riding record and insurance history of those who ride your motorcycle.

If a special excess applies, the amount will be shown on your policy schedule.

Undisclosed rider excess

You must contribute the undisclosed rider excess of \$500, in addition to the basic excess, special excess and age excess, if your motorcycle was being ridden by a person under 25 years of age who was not nominated on the proposal for this insurance or any subsequent renewal of your policy.

When an excess will not apply

Theft claims

If your motorcycle is stolen, you will not have to pay the age excess, undisclosed rider excess or the licence excess, however you will still have to pay the basic excess and the special excess.

Other claims

You will not have to pay an excess for any claims under this policy if, in our opinion, you, or any person using your motorcycle with your permission, were not to blame for the accidental damage caused and you give us the name, address and

the motorcycle/vehicle registration number of the person responsible, and you are claiming for an amount which is more than the applicable excess.

Repairing your motorcycle

In most cases, your motorcycle will be able to be repaired. We will ensure the repairs are carried out properly.

If the repairs to your motorcycle will put it in a better condition than it was prior to the accident, you may be required to pay part of the cost of repairs.

Lifetime guarantee on repairs

We will guarantee the quality of workmanship on authorised crash repairs for the life of the motorcycle at no extra cost to you, while the motorcycle is under your ownership.

To enable us to give you this guarantee:

- ◆ We may ask you to get quotations from at least two different motorcycle repairers, one of whom we may nominate.
- ◆ We may also decide which repairer is to repair your motorcycle.

Parts used in repairing your motorcycle may be manufactured by other than the motorcycle manufacturer and will be compatible with the age and condition of your motorcycle.

Cancelling this policy

Cancellation by you

You may cancel this policy at any time by requesting us to do so in writing.

If you do request cancellation, we will retain an amount from the premium you have paid to cover the time that the policy had been in force and our cancellation fees. We will refund the balance to you.

If your cancellation request is received by us within 21 days from the policy start date and you have not made a claim on the policy, we will refund your premium in full.

If your motorcycle is subject to a finance agreement, we will need the financier's permission before we can cancel your policy.

Cancellation by us

We may cancel this policy where circumstances described in insurance legislation allow us to do so.

Where any instalment of premium is one month or more overdue for payment, we may cancel this policy.

If we cancel this policy, we will retain an amount from the premium that you have paid to cover the time that the policy had been in force and our cancellation fees. We will refund the balance to you.

Claim recovery

If you make a claim on this policy for an incident that in our opinion was not your fault, we reserve the right to take action to recover any money paid by us. When we do this, we may need to take such action in your name and therefore, you must cooperate with us and give us any information we may require. We will pay for any legal expenses.

Making changes to this policy

Changing motorcycles

If you purchase a replacement motorcycle valued at \$30,000 or less, this policy will cover the replacement motorcycle for a maximum of 14 days from the time of purchase, provided you advise us of the replacement motorcycle details within this period.

If you do not give us the details of the replacement motorcycle within this period, cover will only be provided for the motorcycle described on the policy schedule.

Cover for the motorcycle described on the policy schedule will cease when we agree to accept cover on the replacement motorcycle or when you dispose of the motorcycle, whichever is first to occur.

If you purchase a replacement motorcycle valued at more than \$30,000, cover will not be provided for the replacement motorcycle until you notify us of the replacement motorcycle details and we agree to provide cover for the replacement motorcycle.

If you dispose of your motorcycle and don't tell us, this policy will cease without notice to you.

Making a claim

To make a claim on this policy, we will require you to complete a claim form and return it to us.

A claim form may be obtained from any of our offices, or by calling us on 1300 30 79 26.

We ask that you provide all reasonable assistance when requested in relation to your claim.

We may also require other documentation or statutory declarations from you depending on the circumstances of your claim. Where this is required, we will ask for it.

Any communication from other parties involved must be referred to us.

You must complete a claim form and return it to us immediately following an incident occurring that may result in a claim on this policy. If your completed claim form is not received by us within 14 days of such an incident, we may refuse a claim or reduce the amount we pay for a claim.

Before we make any payments in relation to a claim on this policy, the full annual premium must be paid by you.

How the Goods and Services Tax affects your claim

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

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

Paying the agreed value

If your motorcycle is a total loss and we decide to replace it, or we pay you the agreed value or market value, the motorcycle (or what's left of it) including any accessory or modification becomes our property.

If we pay you the agreed value or market value or replace your motorcycle, this policy will cease and no refund of premium will be available.

Our service commitment

We are committed to building mutually beneficial long-term relationships in general insurance by putting our service to you, the customer, first. We value your feedback on our products, people, and services as a means of identifying opportunities to improve our service to you. If you are not satisfied with any of the following, please contact your nearest Swann Insurance office.

- ◆ One of our products.
- ◆ Our decision on your claim.
- ◆ Issues relating to our sales and marketing.
- ◆ Changes made to your premium or no claim bonus (if applicable)
- ◆ Declined insurance.
- ◆ Our service.
- ◆ The service of our representatives, loss adjusters, or investigators.
- ◆ Issues relating to our handling of your personal information.

Our staff will make every effort to resolve your concerns. If our staff are unable to assist you, they will refer your concerns to their manager and if he or she cannot resolve your concerns, you may request that the matter be referred to our Internal Dispute Resolution Officer (DRO). The role of the DRO is to investigate customer concerns and to make a final decision with a view to resolving the matter satisfactorily, in accordance with our Internal Dispute Resolution Procedure (IDR Procedure). The DRO has the authority to make a final decision and will notify you in writing within 15 business days of being notified of the dispute.

Our IDR Procedure is completely free of charge to all of our customers.

If you do not agree with our DRO's final decision and:

- ◆ If your dispute is about a claim, sales and marketing, changes to premium and no claim bonus (if applicable), declined insurance, or the handling of a complaint, you may refer your dispute to the General Insurance Enquiries and Complaints Scheme. This scheme was developed by the Insurance Council of Australia (ICA), and will investigate all relevant enquiries and complaints at no cost to you.
- ◆ If your dispute is about our collection, use or access to your personal information, you may refer the matter to the Australian Privacy Commissioner who will investigate your concerns and make a decision at no cost to you.

If you need any help in understanding how our IDR Procedure operates, contact your nearest Swann Insurance office.

Mailing address

GPO Box 9916 in your capital city

Melbourne

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150 Grenfell St Adelaide SA 5000

Tel. (08) 8405 6100 Fax (08) 8405 6245

Perth

Level 4 179 St Georges Tce Perth WA 6000

Tel. (08) 9282 1450 Fax (08) 9282 1454

Hobart

Level 5 188 Collins St Hobart TAS 7000

Tel. (03) 6223 6311 Fax (03) 6224 2192

Service Centres: Albury, Townsville, Rockhampton, Cairns



Insurer

Swann Insurance (Aust.) Pty. Ltd.

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