



Cyclist Liability Cover

COMBINED PRODUCT DISCLOSURE STATEMENT (PDS)
AND FINANCIAL SERVICES GUIDE (FSG)

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About Hollard and Velosure

This insurance is issued by the Hollard insurance Company Pty Ltd (ABN 78 090 584 473 AFSL 241 436) of level 12, 465 Victoria Ave Chatswood NSW 2067. Hollard is responsible for the preparation and content of the PDS.

Velosure Pty Ltd (ABN 81 151 706 697 AR No. 410026) of level 12, 465 Victoria Ave Chatswood NSW 2067 is an authorised representative of Hollard. Velosure has been given a binding authority by Hollard which authorises it to enter into, vary and cancel Cyclist Liability Cover policies on behalf of Hollard as if it were Hollard. In arranging this insurance Velosure act on behalf of Hollard and not for you.

Refer to the FSG on page 24 for more information about Hollard and Velosure and the financial services we provide.



OUR COMMITMENT TO YOU

We understand the risks you face as a cyclist, whether you're commuting to work, on a training ride with friends or riding with your family. That's because we're cycling enthusiasts, just like you. We've put our collective cycling experiences and understanding together to create liability cover products tailored for cyclists and we back it up with service that only a specialist bicycle insurer can provide.

This Product Disclosure Statement (PDS) was prepared on 9 December 2013 and tells you about this insurance to help you decide if the cover is right for you. Any advice provided is general only and does not take into account your individual circumstances. You should carefully read it, and any other documentation we send you, such as your Insurance Certificate. Keep them in a safe place for future reference. When you enter into the policy you confirm and warrant that you have read (or will read before the end of the cooling off period) the policy documents provided to you.

We may need to update this PDS from time to time if certain changes occur, where required and permitted by law. We will issue you with a new PDS or a Supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, we may issue you with notice of this information in other forms or keep an internal record of such changes (you can get a paper copy free of charge by calling us).

THINGS YOU SHOULD DO BEFORE PURCHASING THIS INSURANCE

Read this booklet

Before you decide to purchase our Cyclist Liability Cover you should read this booklet from cover to cover. There are terms and conditions, limits and exclusions that apply to this insurance (see page 10-11) and certain words have defined meanings you need to understand (see pages 18-19). Headings are provided for reference purposes only and do not form part of the Policy for interpretation purposes.



A SUMMARY OF YOUR COVER

Velosure's Cyclist Liability Cover is designed to provide you cover for potential costs in the event of a claim made against you by another person for damage to their property or personal injury, arising whilst you are cycling. You can choose between Third Party Property Damage Cover only or, Third Party Property Damage Cover plus Third Party Bodily Injury Cover. Full details are contained on page 9.

It is not possible for us to provide unlimited cover for every risk associated with urban cycling at an affordable premium, so there are some exclusions and limits applicable to your cover. It is important that you read the policy in full.

For example, when cyclists ride in groups, different situations are encountered to those experienced by motorists. In groups, cyclists ride in very close proximity to each other with almost no distance between cyclists and they change position continuously. Under these conditions, each cyclist relies on the awareness, and skill, of those around them to avoid collision. However, one slip or momentary loss of concentration usually has a domino effect and can have catastrophic consequences. As a result, we are unable to cover property damage to other bicycles that may arise under such extreme risk conditions. It is the intention of this policy to provide cover for individual cyclists sharing the roads with motorists and pedestrians in urban traffic conditions. Full details of policy exclusions are contained on page 10-11.

Who is eligible to be insured by our Cyclist Liability Cover?

Any individual who resides permanently in Australia is eligible to apply for our Cyclist Liability Cover, however this insurance does not provide cover for:

- cyclists who use their bicycles to earn an income such as, delivering goods, parcels, packages or other type of courier service;
- sponsored or professional cyclists; or
- cyclists who use, or individuals who hire out their bicycles for compensation or for the carriage of passengers.

If you are under 18 years of age this cover must be taken out in the name of a parent or legal guardian with you being listed as the insured.

We do not provide cover for any person who is under 10 years of age at the commencement of the period of cover.

Geographic limit and period of cover

This policy only covers claims arising from accidents that occur during the period of cover and within the geographical limits of Australia. You are not covered whilst cycling overseas.



OTHER IMPORTANT MATTERS



Money back guarantee

We offer a 14-day money back guarantee. If you decide that our Cyclist Liability Cover policy isn't right for you and you have not made a claim, you can cancel your policy within 14 days of the start, or renewal, of your insurance to receive a refund of any premium paid (less any taxes or duties we cannot recover).

How we determine your premium

When you buy your insurance we will tell you the premium you must pay and note it on your Insurance Certificate. In determining your premium, we consider factors such as the cover provided, the policy limits and our aggregate historical claims experience. Your premium includes our obligation to pay any relevant compulsory government charges, taxes or levies (e.g. Stamp Duty and GST) for your insurance. These are set out on your Insurance Certificate.

TERMS AND CONDITIONS OF YOUR COVER



Subject to terms and conditions, limitation and exclusion of the policy, this policy provides cover exclusively for the Insured named on the Insurance Certificate, whilst using a bicycle for personal use for claims that arise from accidents that occur during the period of cover shown on your Insurance Certificate.

Cover is conditional upon a parent or legal guardian agreeing to the purchase and to being named on the policy as the Policyholder, if the Insured is under the age of 18 years when cover commences.

If you fail to pay the premium when due, we may reduce any claim payment by the amount of the premium owing and/or cancel the policy.

Where **Third Party Property Damage Cover** is shown as selected by you on your Insurance Certificate, we will pay claims for compensation for damage caused to someone else's property through your negligence, up to the cover limit shown on your Insurance Certificate for Third Party Property Damage Cover.

If **Third Party Bodily Injury Cover** is shown as selected by you on your Insurance Certificate, we will pay claims for compensation for death or bodily injury to another person caused through your negligence, up to the cover limit shown on your Insurance Certificate for Third Party Bodily Injury Cover.

If we agree to admit your liability claim we will also pay for legal costs for our legal advisers to act in connection with the claim. Legal costs are included in the cover limit we will pay under the relevant cover.

You are responsible for payment to us of the excess shown on your Insurance Certificate for any claimable accident. The excess applies separately for Third Party Property Damage Cover and Third Party Bodily Injury Cover.



We will not pay for:

- any amount that exceeds the cover limit shown on your Insurance Certificate for the relevant cover less any excess that may apply. This is the maximum we pay regardless of the number of claims arising out of or resulting from any single accident and is inclusive of all legal costs.
- any claim where the Insured is not riding the bicycle involved in an accident giving rise to a claim.
- any claim arising from an accident whilst you are participating in an organised race or cycling event.
- loss or damage to a bicycle being used by someone else at the time of an accident giving rise to a claim.
- any claim for death or bodily injury to:
 - you;
 - any person who is a member of your family, or
 - any person who normally lives with you.
- loss or damage arising from:
 - an accident where you were cycling while under the influence of drugs or with a blood alcohol level over the legal limit applicable to motor vehicle drivers in the state/territory in which the accident giving rise to the claim occurred, or
 - an accident after which you refuse to take a drug or alcohol test.
- any claim arising from an accident where you were using the bicycle illegally or in the performance of an illegal action or in contravention of relevant state traffic and road usage laws.
- any claim arising from an accident where more than one person was being transported on the bicycle you were riding unless the bicycle was designed to carry more than one person (e.g. a tandem bicycle).
- damage to property owned by you, any family member or anyone that normally lives with you or for damage to property that was under your control at the time of an accident giving rise to a claim.
- any claim for death, bodily injury or damage resulting from an accident that is caused or contributed to by a known defect in the bicycle you are riding.
- any liability for which you or any other person are entitled to be indemnified or covered under a statutory scheme or would have been entitled to if you had complied with your obligations in accordance with such scheme or law.
- any liability taken on by you by agreement, unless the liability would have been incurred without the agreement existing.
- any claim arising from an accident caused intentionally by you, or a person acting with your express or implied consent.
- any claim arising from an accident that occurs outside Australia.
- any indirect or consequential loss arising from a claimable accident.
- any fines, punitive, exemplary or aggravated damages.
- any claim where you were using a bicycle for any income generating or business activity (such as, but not limited to, courier services).



Additional Benefit – Bicycle damage caused by an uninsured driver

We will cover your bicycle or the bicycle being ridden by you at the time of an accident giving rise to a claim under this policy for loss or damage caused to it by the driver of an uninsured motor vehicle. For the sake of clarity, this section does not cover damage caused to your bicycle by another bicycle or cyclist, or by a motor vehicle that is insured.

You may only claim under this Additional Benefit if:

- you show to our satisfaction that the accident was the fault of the uninsured driver and we agree; and
- you supply to us the registration number of the motor vehicle driven by the uninsured driver and the correct name and address of that driver.

The maximum amount we pay under this Additional Benefit for claims for loss or damage to the bicycle including the cost of reasonable storage, emergency repairs and recovery is the lower of:

- \$2,000 (including GST); or
- the bicycle's market value,

less a \$250 excess, which is applicable to each claim under this Additional Benefit.

Subject to the excess being paid by you, we may choose, at our sole discretion, to:

- repair the damaged bicycle; or
- pay the reasonable costs of repairing or replacing it (in such case we may deduct unpaid excess from the payment).

We will only pay the cost of repairing or replacing the parts of the damaged bicycle. We do not cover any additional expenses to replace undamaged parts of your bicycle to create a uniform appearance.

Choice of repairer

In the event of a claim where we choose to repair your bicycle we will advise you of a preferred repairer to undertake repairs to your bicycle or you may nominate your own repairer. Please note we reserve the right to have repairs undertaken at a repairer of our final choice.

Replacement parts

If any part necessary for repair or replacement of your bicycle is not available in Australia at the time, the most we will pay in relation to any such part will be the lesser of the manufacturer's most recent Australian list price or the list price of the closest equivalent part available in Australia.

Making a Claim

This section sets out your responsibilities when you have a claimable accident or make a claim against this policy.

You must;

- do everything possible to prevent further loss or damage.
- notify us of the accident as soon as possible and submit your claim to us on our prescribed claim form (downloadable from www.velosure.com.au/claim).
- provide us with whatever information or assistance we may reasonably request of you, even after we have settled your claim.
- tell us of any other insurance you have which may cover the accident including details of any domestic contents insurance cover you may hold. Where the accident covered by this policy is also covered under other insurance and we have paid your claim, we may exercise our right to seek contribution from the other insurer or insurers. You must give us any information or assistance we reasonably ask for to help us make a claim from your other insurer.

**You must not;**

- attempt or agree to settle any claim made against you without our written permission.
- make any admissions to anyone (except to the police) about an accident giving rise to a claim under this policy.
- approve any quotations for repairs submitted by any other person.
- agree to pay for any medical expenses or property damage submitted by the other person.

If you fail to meet your responsibilities above, we may reduce or deny your claim.

We may refuse a claim or cancel your policy or do both if you are not truthful and honest in any statement you make in relation to a claim or if you induce someone else to act fraudulently in relation to a claim.

We will not pay for any additional liability arising from your delay or failure to notify us of any third party demand.

You agree to pay us the claim excess within 5 business days of us requesting payment. You agree that we may recover any monies owing to us, including your claim excess, from any amount payable to you under this policy.

Goods and Services Tax (GST)

Any claim payments made under this insurance will be based on GST inclusive costs, up to the relevant sum insured or maximum amount that we pay. However, if you or a claimant are or would be entitled to claim any input tax credit for a service or the repair or replacement of insured property, we will reduce any claim under this insurance by the amount of such input tax credit.

Electronic delivery of documents and notices

You agree to us delivering your original policy and renewal notification and documentation electronically to the last email address provided to us. If you request us to do so and you provide us with your mailing address, we will also deliver this to you in printed form by standard mail. It is important that you tell us of any change to your email address as soon as possible. This can be done by email to customer care@velosure.com.au.

Renewal of your Policy

Your policy will automatically renew each year on the anniversary date of your cover unless we advise you otherwise. We will notify you of this (including any changes to the policy terms and conditions) at least 2 weeks prior to the expiry of your current cover. If you do not want to continue your cover you must advise us at that time.

This document (together with any amendments, updates or endorsements that we give you in writing) also applies to any offer of renewal we make, unless we tell you otherwise or issue you with a new and updated Combined Product Disclosure Statement and Financial Services Guide.

You authorise us to debit the credit card or bank account originally provided to us when cover was first taken out (or any subsequently supplied bank account or credit card details) with the full annual premium on renewal. Cover for any renewal period does not commence until we have successfully collected the premium.



Canceling your Policy

You may cancel your policy within 14 days of the original issue (or any renewal) date and you will receive a refund of any monies paid to us (less any taxes and duties we cannot recover) provided that you have not made a claim. This is known as your cooling-off period. If you cancel your policy after this period, no refund is payable and the unused portion of your premium will be used to defray our cancellation administration expenses.

We can cancel your insurance to the extent permitted by law. For example, if you do not comply with your policy terms and conditions, fail to pay your premium, make a fraudulent claim, or induce or coerce someone else to behave fraudulently. If we cancel your policy, we will send you a cancellation letter to the last email address you provided. If you request us to do so and you provide us with your mailing address, we will also deliver this to you in printed form by standard mail. It is important that you tell us of any change to your email address as soon as possible. This can be done by email to customer-care@velosure.com.au

Jurisdiction

Should any dispute arise concerning this policy that is not resolved through the dispute resolution processes set out on page 21 under “How we resolve your complaints”, you agree to submit to the exclusive jurisdiction of the courts of New South Wales.



WORDS WITH SPECIFIC MEANINGS



Accident

is an event that is unexpected and unintended and results in injury to a person or damage to property.

Bicycle

is a human-powered vehicle with two wheels in tandem designed to transport a person by the act of pedalling. For the purposes of this policy this definition includes electric 'pedal assist' bicycles not exceeding 300watts but excludes bicycles fitted with an internal combustion engine or other source of powered assistance or where a trailer/attachment is affixed to your bicycle for the purpose of carrying people and/or goods.

Excess

is the amount you have to pay to us towards the cost of each claimable accident under your policy. We may deduct the relevant excess from our payment. Details of the amount of excess are shown under the relevant cover sections on your Insurance Certificate.

Insurance Certificate

is the document we send you that provides your insurance details and any variations to the standard terms and conditions of this PDS. It forms part of your contract with us and should be read with your other policy documents.

Insured

is the person named on the Insurance Certificate who is the only person covered by this policy.

Legal guardian

is a person lawfully invested with the power, and charged with the obligation, of taking care of and managing the property and rights of a person who, because of age, understanding, or self-control, is considered under law to be incapable of administering his or her own affairs.

Motor vehicle

is a motorised vehicle that is required to be legally registered and authorised for use on public roads by a relevant Australian commonwealth/state/territory registering authority.

Period of cover

is the period during which this policy is current which is stated on

your Insurance Certificate, unless ending sooner in accordance with the policy or relevant law. If this policy is cancelled, the period of cover ceases when the cancellation becomes effective.

Policy

is this contract, which includes:

- this Product Disclosure Statement (PDS);
- the Insurance Certificate;
- any other document we tell you forms part of our agreement with you (such as a supplementary product disclosure statement (SPDS) or endorsement).

Policyholder

is the policy owner who has the legal authority to enter into this contract with the insurer. In the case of a person under the age of 18, a parent or legal guardian must enter into this insurance as a Policyholder.

Premium

is the amount you pay to obtain this insurance cover as shown on your Insurance Certificate. It includes any commission payable to another party and our obligation to pay any relevant compulsory government statutory charges, levies, duties and taxes applicable to this insurance. It excludes any non-insurance related fees and charges and other transaction administration or bank charges incurred in the collection of the premium. When applicable, these charges will be shown separately on your Insurance Certificate.

Uninsured driver

is a driver of a motor vehicle whom you are able to prove did not have, at the time of the accident, the benefit of an insurance policy that would cover them or the owner of the third party motor vehicle for the damage to your bicycle. It excludes a driver or owner who had a current insurance policy at the time of the accident but whose insurer refuses to pay all or part of the claim or avoids or cancels the policy.

Us/we/our

is the issuer of this policy, The Hollard Insurance Company Pty Ltd (ABN 78 090 584 473 AFSL No. 421 436) and/or its authorised representative, Velosure Pty Ltd (ABN 81 151 706 697 AR No. 410 026)

You/your

is the Policyholder and/or the Insured, named on the Insurance Certificate.

OUR OBLIGATION TO YOU



How we resolve your complaints

We welcome every opportunity to resolve any concerns you may have with our products or service. In the first instance, contact one of our customer service officers. If you are not satisfied with the response received you can request that a manager address your concern. If your concern is still not resolved to your satisfaction please write to our Internal Dispute Resolution Committee at: Velosure Pty Ltd, PO Box 199, Chatswood, NSW 2057. Your concern will be investigated by an officer with full authority to deal with the complaint and we will inform you of the outcome within 15 days of receiving your letter. If your concern still remains unresolved to your satisfaction you may be able to refer the matter to the Financial Ombudsman Service (FOS) subject to its terms of reference, which acts as our external dispute resolution provider. FOS is an independent body and its service is free to you.

FOS can be contacted on:

Phone: **1300 780 808**

Post: **GPO Box 3,
Melbourne,
Victoria 3001**

Web: **www.fos.org.au**

Email: **info@fos.org.au**



Financial Claims Scheme

Hollard is an insurance company authorised under the Insurance Act 1973 (Insurance Act) to carry on general insurance business in Australia by the Australian Prudential Regulation Authority (APRA) and are subject to the prudential requirements of the Insurance Act. The Insurance Act contains prudential standards and practices designed to ensure that, under all reasonable circumstances, financial promises made by Hollard are met within a stable, efficient and competitive financial system.

In the unlikely event that Hollard were to become insolvent and could not meet our obligations under the policy, a person entitled to claim may be entitled to payment under the Financial Claims Scheme. Access to the Scheme is subject to eligibility criteria. Please refer to www.apra.gov.au or call the APRA hotline on 1300 558 849 for more information.

Hollard are exempted from the requirement to meet the compensation arrangements Australian financial services licensees must have in place to compensate retail clients for loss or damage suffered because of breaches by the licensee or its representatives of Chapter 7 of the Corporations Act. Hollard have compensation arrangements in place that are in accordance with the Insurance Act.

General Insurance Code of Practice

Hollard is a signatory to the General Insurance Code of Practice. The objectives of this Code are:

- to promote better, more informed relations between insurers and their customers;
- to improve consumer confidence in the general insurance industry;
- to provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- to commit insurers and the professionals they rely upon to higher standards of customer service.

You can obtain a copy of the Code from the Insurance Council of Australia website www.insurancecouncil.com.au or by phoning (02) 9253 5100.

How we protect your privacy

For the purpose of this clause, “we”, “us” and “our” means Velosure and Hollard. We value your privacy. Our Privacy Policy, available at www.velosure.com.au or by calling us on 1300 83 5678, sets out how:

- we protect your personal information.
- You may access your personal information;
- You may correct your personal information held by us;
- You may complain about a breach of the Privacy Principles or Registered Privacy Code and how We will deal with such a complaint.

We:

- collect, store and use your personal information to provide you with, and inform you about, insurance and insurance-related services. To do this we may communicate your personal information to our service providers that assist us in managing your cover and our relationship with you. If we do not collect this information we may not be able to provide you with and inform you about insurance and related insurance services.
- may collect a person’s personal information from another person where it is not possible or practicable to collect the personal information directly from that person. If you provide information for another insured you represent to us you have authority from them to do so and it is as if they provided it to us.

This will always be done only as permitted by the relevant privacy legislation.

If you wish to stop receiving information about new insurance and insurance related services you can call us or email us at privacy@velosure.com.au. Please note that telephone conversations may be recorded for evidentiary, contractual, training and quality control purposes. You also have a right to access and correct your personal information held by us.



Velosure Pty Ltd (ABN 81 151 706 697), (Authorised Representative No. 410026) and The Hollard Insurance Company Pty Ltd (ABN 78 090 584 473) (AFSL 241436) are responsible for this FSG as it relates to the financial services provided by them. This FSG provides you with information about the financial services that they provide in relation to this Cyclist Liability Cover policy (to help you decide whether or not to use those services) as well as information on how they are remunerated in relation to the services, how they deal with complaints and how they can be contacted.

In this FSG references to:

- Hollard means The Hollard Insurance Company Pty Ltd
- Velosure means Velosure Pty Ltd
- “we”, “us” or “our” collectively refers to Hollard and Velosure
- “you” and “your” means the applicant for a Cyclist Liability Cover policy and, if a policy is issued, the Insured and/or Policyholder.

Velosure’s Cyclist Liability Cover is promoted and administered by Velosure and issued by Hollard. Full details about these companies are given on the inside cover of this booklet. The Velosure Cyclist Liability Cover PDS including the Policy Terms and Conditions is set out in Part A of this booklet. The Velosure Cyclist Liability Cover PDS contains information on the benefits and significant characteristics of the product and is aimed to assist you in making an informed decision about whether to buy it or not. Before you acquire the product, you should read the PDS carefully and use it to decide whether to purchase the product.

About Hollard and Velosure

Hollard is the insurer of this Cyclist Liability Cover policy. Velosure has been appointed by Hollard as an Authorised Representative and is authorised to deal in and provide general advice on behalf of Hollard regarding certain general insurance products issued by Hollard, including Velosure Cyclist Liability Cover. On behalf of Hollard, Velosure administers Cyclist Liability Cover policies and determines whether a Cyclist Liability Cover policy can be issued to you by Hollard. Velosure has been given a binding authority by Hollard which authorises it to enter into, vary and cancel Cyclist Liability Cover policies on behalf of Hollard as if it were Hollard. Velosure’s authority is subject to the limits of authority agreed with Hollard. Velosure does not act for you.

Important information you should know

In providing the above services, we have not and will not consider whether a Cyclist Liability Cover policy is appropriate for your personal objectives, financial situation or needs as we do not provide such services to you. Therefore, you need to consider the appropriateness of any information given to you, having regard to your personal circumstances before buying a Cyclist Liability Cover policy. You need to read the PDS including the Policy Terms and Conditions (Part A of this booklet) to determine if the product is right for you. If you require personal advice, you need to obtain the services of a suitably qualified adviser.



Remuneration

Hollard as the issuer is paid the premium for this Cyclist Liability Cover policy if you purchase it. This amount is agreed with you before the product is purchased. Velosure may be compensated for the services provided by them by receiving a portion of the underwriting profit, if any. Their compensation is included in the total amount you pay.

You may request particulars about the above remuneration or other benefits from us. However, the request must be made within a reasonable time frame after you have been given this document and before the relevant financial service has been provided to you. Please refer to page 29 of the PDS for our contact details.

Compensation arrangements

Please see the Financial Claims Scheme section on page 22 of the PDS (Part A of the document) for information on Hollard's compensation arrangements.

How we resolve your complaints

We will do our best to work with you to resolve any complaints you may have in relation to the financial services provided by us. For information on how we resolve your complaints please refer to page 21 of the PDS (Part A of this document).

Your privacy

We are committed to ensuring the privacy and security of your personal information.

We adhere to the Privacy terms set out in the 'How we protect your privacy' clause on page 23 of the PDS (Part A of this document).

How to contact us

If you have any questions or need to update or change your cover you can contact us. Please refer to page 29 of the PDS for our contact details.

Authorised for issue

This FSG was prepared by Velosure (as it relates to the financial services provided by them) and Hollard has authorised the distribution of this FSG by the other parties who are its Authorised Representatives.



HOW TO CONTACT US

Our Velosure Bicycle Insurance team is available to answer questions you may have about this insurance or to help you update or change your cover.

Visit **www.velosure.com.au**
Call **1300 83 5678 during office hours**
Email **customer care@velosure.com.au**
Write **PO Box 199 Chatswood NSW 2057**



