

COMPREHENSIVE MOTORCYCLE INSURANCE POLICY

Product Disclosure Statement



AAMI





AAMI: Peace of mind

Peace of mind – comprehensive insurance for motorcycles and scooters from AAMI

AAMI comprehensive motorcycle insurance provides you with value for money and peace of mind that you are properly covered if your bike is damaged in an accident, stolen, or its use causes damage to someone else's property.

Peace of mind – we choose the repairer

It's enough to have had your bike damaged without having to worry about arranging its repair. We do all that for you. You can sit back and relax while we put our repair expertise to work for you.

Peace of mind – genuine parts

We use genuine parts in the repair of your bike. See pages 24–25.

Peace of mind – Lifetime Repair Guarantee

Because we take total responsibility for the repair of your bike, we guarantee its repair for life. Even if you sell it. See page 25.

AAMI Safe Rider Rewards™

We reward your safe riding with additional benefits. See pages 39–41.

Protective clothing cover

We help with your protective clothing damaged in an accident. An additional premium is payable. See page 12.

Hire car if your bike is stolen

We provide you with a hire car for up to 21 days if your bike is stolen. See page 14.

Refund of emergency costs

If your trip is interrupted by an accident, mechanical breakdown or theft involving your bike and you are **more than 100 km from your home**, we can help with the refund of emergency costs. See page 12.

Discount on AAMI home and contents insurance

You may qualify for discounts off your AAMI home and contents insurance. Call 13 22 44 or visit aami.com.au for details.

AAMI Skilled Drivers Course

Your children and grandchildren under 25 are eligible for a free one-day AAMI Skilled Drivers course designed to improve their driving awareness and competence. See page 14.



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Important Information

Your AAMI Product Disclosure Statement The AAMI Comprehensive Motorcycle Insurance Policy

This Product Disclosure Statement (PDS) provides information about the product we offer: the AAMI Comprehensive Motorcycle Insurance Policy. This is insurance for motorcycles and scooters, both known as 'bikes' in this PDS. When we agree to insure your bike, your policy comprises this PDS, any supplementary PDS we send you and your policy schedule which shows the detail of the policy particular to you. See page 48.

This PDS was completed on 17 November 2009.

Our commitment to you

When you are an AAMI policyholder and you need to claim on your policy, our claims service will take away the stress and hassle. We are here to help you 24 hours a day, every day of the year.

If your bike has been damaged or stolen or someone is claiming against you, please phone us immediately on 13 22 44.

Please read this policy carefully and retain it so you can refer to it if required.

We rely on the accuracy of your information

When we agree to insure you, to renew or vary your policy, or to pay your claim, our decision relies on the accuracy of the information you give us. If that information is not accurate, we can reduce or deny any claim you may make or cancel your policy. We never want to have to do that, so you must answer honestly, correctly and completely the questions we ask about:

you,

any other people who ride or will ride your bike,

your bike,

where your bike is kept,

the riding and insurance history of you and any other people who ride or will ride your bike,

any events that may result in a claim on your AAMI policy.

When you receive your renewal notice, please carefully check the information it shows. If any of that information is incorrect or incomplete, please call us and we will update our records.

We also require you to:

observe the conditions contained in your AAMI policy, and

pay or agree to pay us the premium we charge and any excesses that apply.

Evidence of ownership

When you make a claim, we may ask you to provide evidence of ownership and value of property. This evidence includes receipts, credit card and bank statements, photographs or contracts of sale.

If you are unable to provide us with the evidence we require, we may reduce or refuse to pay your claim.

Some words in this policy have definite meanings

This policy uses words that have definite meanings. To make sure you are aware of these words and their meanings, please read 'What do we mean by that?' on pages 48–49.



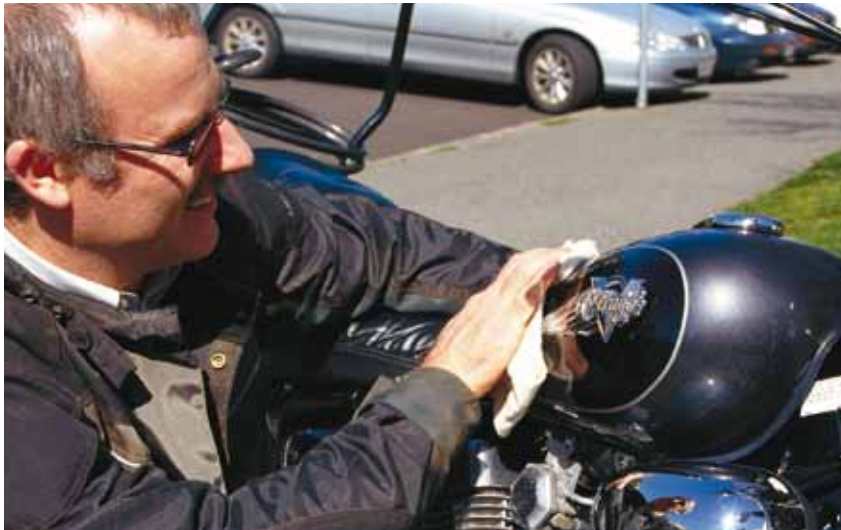
This policy does not cover some events, circumstances and situations

As you read through this policy, you will see there are some events, circumstances and situations it does not cover. To make sure you are aware of these exclusions, please read the whole policy carefully including 'Are you covered?' on pages 18–19 and 'We will not pay for' on pages 20–21.

See also 'Important general information' on pages 42–47.

Earned and purchased benefits

This policy provides benefits you are able to earn depending on your safe riding record as an AAMI policyholder under this policy and other benefits you may be able to purchase. Benefits you earn and benefits you purchase are shown on the most recent of your insurance schedule, renewal notice and any receipt we may send you.



What we cover

The protection we provide

We will pay for any accidental loss, damage (including malicious damage) and liability for property damage covered by your AAMI policy occurring during the period of cover.

When your bike has been damaged, we will decide to repair it, pay the cost of repairing it, declare it a write-off and pay the agreed value, or replace it. See pages 22–29 for details.

When your bike has not been found after being stolen, we will declare it a write-off and pay the agreed value or replace it. See pages 22–29 for details.

When the use of your bike causes damage to someone else's property, we will pay for your legal liability. See pages 23–24 for details.

We cover your bike for its agreed value

Your bike's agreed value is based on the value given for its make and model in the motor trade's most commonly accepted price handbook. It includes modifications and manufacturer's options and accessories that we have agreed in writing to insure.

The agreed value is established at the commencement of your AAMI policy and adjusted at the beginning of each subsequent period of cover. It is shown on the most recent of your insurance schedule and renewal notice and it does not change during the period of cover.

It includes GST and is the most we will pay for your bike, less any excess and any other deductions this policy explains, for any accidental loss and damage covered by this policy occurring during the period of cover.



A new bike when your bike is less than 2 years old and we declare it a write-off

If we declare your bike a write-off because of damage or theft within the first 2 years of its original registration, we will replace it with a new bike and pay the initial on-road costs.

The replacement bike:

- will be of the same make and model as your bike,
- will be fitted with the same insured options and accessories as those fitted to your bike, and
- has to be locally available. If it is not locally available, we will pay the agreed value.

If your bike is under finance, you have to obtain the approval of the financier before it can be replaced.

What happens when your bike is 2 or more years old and we declare it a write-off?

If we declare your bike a write-off and 2 or more years have passed since it was originally registered, we will pay the agreed value.

Value for money

The benefits we provide

Hassle free claims

Our claims service will take away the hassle and stress of having an accident. From quotes to repairs to keeping you informed of your bike's progress. See pages 22–29.

Genuine parts

We use genuine parts in the repair of your bike. See page 24.

Lifetime Repair Guarantee

When we authorise repairs to your bike, we take total responsibility for them. We guarantee them for the life of your bike. Even if you sell it. See page 25.

We cover your replacement bike

If you replace your bike with another bike, we will insure the replacement bike from the time of its purchase, provided:

- the replacement bike is one that we would normally insure,
- you tell us within 14 days of the purchase of the replacement bike, and
- you pay any additional premium we require. If an additional premium is payable, we will tell you how much it is and how it is to be paid.

The cover ends for the replaced bike and begins for the replacement bike at the time you take delivery of the replacement bike.

If we agree to insure your replacement bike and you pay us any additional premium we require, we will send you a new insurance schedule.



Cover for your protective clothing and helmet – an additional premium is payable

We cover damage to protective clothing such as jackets, boots, trousers and helmets caused in an accident involving your bike. An additional premium is payable for this cover.

If purchased, your amount covered for this benefit will be shown on the most recent of your insurance schedule and renewal notice.

See page 27 for what happens when you make a protective clothing claim.

We help replace your bike keys if they are lost

We reimburse up to \$1,000 for the cost of replacing and re-coding your bike keys if they are lost.

We help pay for damage to your trailer or sidecar

We pay up to \$750 for accidental damage to your trailer or sidecar that occurs while it is attached to your bike.

We help with the cost of keeping your bike safe after an accident

We pay the reasonable cost of transporting your bike to the nearest repairer or place of safety if it is damaged and cannot be safely ridden. The amount we will pay under this benefit will depend on where the accident takes place and what transport options are available.

Emergency costs – mechanical breakdown, accident or theft

If your journey on your bike is interrupted by an accident, mechanical breakdown or theft **more than 100 km from home**, call AAMI on 13 22 64. We can help with emergency costs. No excess is payable on these benefits.

We help you by reimbursing these emergency costs you incur:

up to \$500 of the overall cost for you and members of your family

travelling with you as your pillion and/or sidecar passenger(s) for essential accommodation and travelling expenses.

up to \$500 per item, up to \$1,000 in total for personal items (but not protective clothing or helmets) damaged or lost in the accident or theft. Personal items exclude cash, mobile phones, portable computers and any tools used for business.

up to \$500 of the cost of transporting your bike to the nearest repairer after a mechanical breakdown.

We provide an accidental death benefit

We will pay your legal personal representative \$5,000 if you die within 12 months as the result of an accident while riding your bike. Your death must be the direct result of bodily injury caused in the accident (but not by suicide).

Switching to AAMI?

At AAMI, we believe that establishing a safe riding record and becoming a Rating One rider should always be something to be proud of, that also earns you meaningful rewards. So when you switch to AAMI, we review your bike insurance and riding record and welcome you with the rating you would have earned had you always been comprehensively insured with AAMI.

Further rewards

We offer a range of premium and claim related benefits that you may qualify for from the moment you become an AAMI policyholder. Please note that some of these benefits require the payment of an extra amount on your premium.

AAMI Lifetime Rating One

We recognise your good riding record. Once you've held an AAMI Rating One for 12 months, we'll give it to you for life, at no extra cost. No matter how many accidents you have in the future. See page 35 for details.



AAMI Safe Rider Rewards™

We reward your safe riding with additional benefits. These benefits are earned progressively based on the number of consecutive years you remain in the Safe Rider Rewards Program and are retained for as long as you continue to ride without making an at fault claim. See pages 39–41.

AAMI Skilled Drivers Course

Your children and grandchildren under 25 are eligible for a free one-day AAMI Skilled Drivers course designed to improve their driving awareness and competence. On completion they receive discounts on AAMI comprehensive insurance until they're 25 (available in Adelaide, Brisbane, Canberra, Hobart, Melbourne and Sydney). Call 13 22 44 for details.

AAMI Home and Contents insurance discounts

You may qualify for a discount on your AAMI home and contents insurance. Call 13 22 44 or visit aami.com.au for details.

AAMI hire car benefits

Our standard conditions for hire cars apply to all hire car benefits in this policy. See page 16.

A hire car if your bike is stolen – we pay the daily hire rate

If your bike is stolen, we can arrange a hire car for you for up to 21 days. We will pay the daily hire rate for the period the hire car is provided to you.

The hire car we arrange will be a four-cylinder, air-conditioned, automatic four-door sedan or hatchback.

If, within 14 days from when you told us your bike had been stolen, your bike is:

- not recovered, you can keep the hire car for the full 21 days;
- recovered undamaged, the hire car must be returned to us;

recovered damaged and we decide that the damage:

- can be properly repaired, the hire car must be returned to us;

- is such that we declare your bike a write-off, you can keep the hire car for a further 7 days from our write-off declaration.

If your bike is found undamaged within the 21 day period and the hire car cost is:

- less than any excess you have paid, we will refund the balance,
- more than any excess you have paid, we will pay the balance.

If your bike is damaged...

...Discount Hire Car Benefit – an extra premium is payable (see Sapphire Safe Rider exception below)

This benefit provides you with a hire car at a discounted daily hire rate for up to ten days while accident damage to your bike is being repaired under the terms of this policy. You are responsible for paying the discounted daily hire rate for the period the hire car is provided to you.

If we authorise the repair of your bike and subsequently decide within the ten day benefit period that your bike cannot be properly repaired, we will declare your bike a write-off and the hire car must be returned to us.

The hire car we arrange will be a four-cylinder, air-conditioned, automatic four-door sedan or hatchback.

You can add this benefit to this policy by paying an extra premium when you commence or renew your policy.

When you have reached Sapphire Safe Rider status on this policy, we will add this benefit to this policy, for no additional premium. See pages 39–41.

This benefit is not available to some policyholders. Call 13 22 44.



...Comprehensive Hire Car Benefit – an extra premium is payable

This benefit provides you with the convenience of a hire car for the entire period while accident damage to your bike is being repaired under the terms of this policy – we pay the daily hire rate.

If we authorise the repair of your bike and subsequently decide that your bike cannot be properly repaired, we will declare your bike a write-off and the hire car must be returned to us.

The hire car we arrange will be a four-cylinder, air-conditioned, automatic four-door sedan or hatchback.

You can add this benefit to this policy by paying an extra premium when you commence or renew your policy.

This benefit is not available to some policyholders. Call 13 22 44.

Our standard conditions for hire cars

These conditions apply to all hire car benefits in this policy.

The hire car we arrange will only be made available to you after you have claimed on your policy and paid any excesses that apply.

The hire car will remain in your possession based on the terms of the benefit that applies to your claim. It will be covered by the terms of this policy during the authorised hire period. If the hire car is damaged or stolen during the hire period, you will need to lodge a new claim under this policy and you must pay us any excesses that apply.

The cost of fuel will be your responsibility. Other conditions apply and they are available by phoning us on 13 22 44. They include a daily kilometre allowance, limitations on authorised drivers, return to pick up location and the lodgement of a security bond.





Are you covered?

You are not covered:

If your bike was being used for riding tuition.

If the rider of your bike was not licensed or authorised to ride it.

If the rider of your bike was under the influence of intoxicating liquor and/or of a drug or whose blood alcohol level was in excess of the legal limit in force where your bike was being ridden or who refused or failed to submit a specimen for testing as required by law where your bike was being ridden.

If your bike was being used or tested in or for a race, trial, test or contest or on a competition circuit, course or arena.

You are covered:

If your bike was being used in connection with it being serviced or repaired.

If your bike was being demonstrated for private sale.

You need to take reasonable precautions to ensure the safe return of your bike.

If your bike was stolen.

If your bike was stolen.

If your bike was being ridden by you on a safe riding training course commercially conducted by trained instructors.

You are not covered:

If your bike was converted, altered or modified from its maker's specifications.

For the non-standard accessories you have fitted to your bike.

You are covered:

If you have told us and we have agreed in writing to cover the modification.

If you have told us and we have agreed in writing to cover these accessories.

You are not covered if your bike (including any attached sidecar or trailer) was:

in an unroadworthy or unsafe condition that contributed to the accident being a condition that was known to and disregarded by you.

carrying more passengers or loaded above the legal limit or loaded in an illegal way.

being used for hire or reward.

being used during your full-time, part-time or casual working period as an integral means of earning an income, unless you have told us about this use and we have agreed in writing to cover it – see 'Use' page 49.

outside Australia.



We will not pay for

We will not pay for:

any reduced value of your bike after it has been damaged and repaired and the repairs have been properly performed.

repairs or bike inspections carried out without our written consent.

personal items stolen from your bike, other than as provided for under 'Emergency costs' on pages 12–13.

loss because you cannot use your bike, for example, of wages or commission.

depreciation, wear, tear, rust or corrosion.

mechanical, structural, electrical, electronic or other failure or breakdown.

any additional loss or damage to your bike as a result of it being ridden after an accident.

loss or damage caused by failure to take reasonable steps to secure your bike after it has broken down, been damaged in an accident or you have been notified of its recovery after it was stolen.

damage to your tyres caused by application of brakes or by road cuts, punctures or bursting.

loss or damage caused intentionally by you or a person acting with your express or implied consent.

loss or damage caused when someone rides your bike after they have received medical advice that their ability to ride it (or to drive a car) is impaired by their condition or medical treatment.

loss or damage caused by the lawful repossession or seizure of your bike.

loss or damage directly or indirectly caused by, arising from, or connected with:

asbestos, asbestos fibres, or derivatives of asbestos in any form;

any war, warlike activities or revolution including any looting or pillaging;

the use, misuse or existence of nuclear weapons; or the use, misuse, escape or existence of nuclear fuel, waste or nuclear materials or ionising radiation or contamination from such fuels, waste or materials; or combustion, detonation, fission and/or fusion of nuclear fuel or nuclear materials;

actual or threatened chemical or biological pollution or contamination; or action taken by a public authority or any body authorised by a public authority to prevent, limit or remedy such actual or threatened release, pollution or contamination.





What to do and what happens when

Your bike has been damaged

Phone AAMI (as soon as possible) on 13 22 44.

AAMI chooses the repairer and arranges the repair

For your peace of mind, our claims service looks after all the arrangements for the proper repair of your bike.

If your bike can be safely ridden

We arrange a time with you to bring your bike to the AAMI Customer Service Centre most convenient to you. All you do is leave it there. We pay for your taxi home or back to work.

If your bike cannot be safely ridden

We transport your bike to either the AAMI Customer Service Centre most convenient to you or an AAMI approved holding yard.

The repair

We choose the repairer and arrange the repair for you. To do this, we ordinarily obtain two independent, competitive quotations from repairers we recommend. If you want, you can choose a repairer to provide one of the quotes.

Once our assessor has reviewed the quotations and what is necessary to properly repair your bike, we select the repairer:

- who submitted the more competitive and complete quote, and
- this is the repairer who then repairs your bike.

We keep you informed of the progress of the repair and advise you when your bike is ready for collection.

In areas not covered by an AAMI Customer Service Centre, we arrange the repair of your bike in consultation with you.

The repair is covered by AAMI's Lifetime Repair Guarantee – see page 25.

Your bike has been stolen

Report the theft immediately to the Police and to AAMI.

We allow 14 days for your bike to be found from when you reported its theft to us.

So you are inconvenienced as little as possible, we can provide you with a hire car for up to 21 days. See page 14.

If your bike is found damaged within the 14 days from when you reported its theft to us and it:

- can be repaired, we will arrange the repair. See 'The repair' page 22.

- cannot be repaired, see 'If your bike cannot be repaired' page 26.

If it is not found within the 14 days, and we are satisfied your claim is in order, we declare your bike a write-off and pay the agreed value or replace your bike. See 'What happens when we make a write-off payment or replace your bike' pages 26–27.

The use of your bike has caused damage to someone else's property (legal liability)

Phone AAMI (as soon as possible) on 13 22 44.

We cover your legal liability for any loss or damage to other people's property and loss or damage consequent upon damage to other people's property resulting from the use of your bike. The use of a sidecar or trailer attached to your bike is also covered.

We will pay up to a total of \$20,000,000 for all claims arising from the one event.

Any person who uses your bike with your permission and who complies with the terms and conditions of this policy is covered.



Your employer or principal is covered if you are riding your bike in the course of your employment or agency, and the use of your bike is private use or you are covered under this policy for business use.

We do not pay for loss or damage to property owned by you or any person ordinarily living with you.

Further information about repairing or replacing your bike

Inspecting and repairing your bike

You must make your bike available to us if we decide to inspect or repair it. If requested by us, you must take your bike or allow it to be taken to a place nominated by us.

You must not authorise the repair of your bike without our written authority.

Your contribution to repair work

If the repair of your bike leaves it in a better condition than before it was damaged, we may ask you to contribute to the repair cost. If we ask you to contribute, we will always explain why, tell you how much it will be and how to pay it.

Where replacement parts are required for the repair of your bike and:

your bike is within its manufacturer's standard new bike warranty period

New genuine parts will be used except for the replacement of windscreens and window glass for which Australian manufactured, Australian Design Rule compliant parts may be used.

your bike is outside its manufacturer's standard new bike warranty period

New and/or recycled genuine parts will be used except for the replacement of windscreens and window glass for which Australian manufactured, Australian Design Rule compliant parts may be used.

Parts produced by genuine parts suppliers may be used in the repair of components such as radiators.

parts for your bike are no longer available

Where replacement parts are required for the repair of your bike and they are no longer available, we may pay you what it would have cost us to repair your bike with those parts had they been available.

The AAMI Lifetime Repair Guarantee

The quality of the workmanship and the materials authorised by AAMI in the repair of your bike will be guaranteed for its life. The parts used in the repair of your bike will be of the same type as those explained these pages.

If you are concerned about the quality of the repair of your bike, you must call us on 13 22 44 and you must make your bike available to us. You must not authorise rectification work without our written authority.

We will inspect the repair and arrange any necessary rectification work. If in our opinion, it would not be safe or economical to carry out the rectification work required, we will declare your bike a write-off.

If our write-off declaration is made:

within the current period of cover, we will pay the agreed value shown on your policy schedule for that period.

after the current period of cover, we will pay the market value of your bike applying at the time of our declaration.



If your bike cannot be repaired

Sometimes bikes are so badly damaged that they would not be either safe or economical to repair.

If in our opinion, the damage to your bike is so great that it would not be safe or economical to repair, we will declare your bike a write-off and pay the agreed value or replace it. See 'The protection we provide' on pages 9–10.

What happens when we make a 'write-off' payment or replace your bike

When we make a 'write-off' payment	When we replace your bike
We deduct any unpaid or additional premium owing from our payment.	You will need to pay us any unpaid or additional premium owing first.
We pay the agreed value and your policy comes to an end.	We replace your bike and your policy comes to an end. You will need to organise new insurance cover for your replacement bike.
We will post you a cheque for the agreed value or deposit it directly into your nominated bank account.	
If someone else has a financial interest in your bike, we will pay them what they are entitled to and pay you any balance.	

When we make a 'write-off' payment

Because our 'write-off' payment meets all our obligations to you in full, there is no refund of any unused portion of the premium.

When we replace your bike

There is no refund of any portion of the premium because our replacement of your bike meets all our obligations to you in full.

We retain your damaged bike unless you wish to keep it. If you wish to retain your damaged bike:

Its salvage value will be deducted from our payment.

You will need to pay us its salvage value first.

In this table 'your bike' and 'your damaged bike' each include all insured options, accessories and modifications, and unless the law where you live provides otherwise, the value of any unexpired portion of your bike's registration and Compulsory Third Party (CTP) insurance.

What happens when you make a claim for protective clothing

When you make a claim for protective clothing that has been damaged in an accident involving your bike, we will decide either to:

- repair or replace your protective clothing, or
- pay the cost of repairing or replacing it.

If we repair your damaged protective clothing we will only use new materials and make reasonable endeavours to match materials. Where a match cannot be made, we will use materials that in our opinion match those damaged.

If we decide to pay the cost of repairing or replacing your protective clothing we will pay up to the amount covered on the most recent of your insurance schedule and renewal notice. Our payment will be the current retail price or the discounted price we may obtain, whichever is lower.



We will not pay for undamaged property or any decrease in the value of a pair or set when the damaged item forms part of a pair or set of other than boots or gloves.

When you claim on your policy, your responsibilities include

Obtaining our written consent

You must not make any admissions or settle any claims without our prior written consent.

Giving assistance – information, notices, negotiating, defending and settling claims

In this section 'you' means you and, if you were not riding your bike, the rider of your bike.

You must give us the information and assistance we reasonably request in evaluating the cause, extent and value of any claim. This may include:

- providing us with full details of the claim in writing, including the name(s) and address(es) of the driver(s) of and registration number(s) of any vehicle(s) involved in the accident or event,
- providing contracts of sale, receipts or other evidence of ownership,
- providing written statements,
- providing other relevant documents,
- undergoing an interview or interviews about the circumstances of the claim, and
- appearing in court and giving evidence.

The information you give must be honest, correct and complete.

You must assist us to recover any part of the claim from the person responsible for the accident or event which results in a claim.

You must promptly deliver to us any relevant letters and notices that come into your possession. This includes promptly telling us if you become aware of any demands, court proceedings or offers of settlement.

We shall be entitled, but not obliged, to defend or represent you in any legal proceedings relating to an accident or event which may give rise to a claim against us and to control, settle and deal with those proceedings as we see fit.

We will pay the legal and other reasonable related costs of defending any claim made against you, provided we appoint the solicitors who will defend the claim and we have told you in writing that we will pay their costs.

You must assist us in all our endeavours to negotiate, defend or settle any claim made under this policy and to exercise for our benefit your legal right of recovery against any other party.

If you fail to assist us, or do not abide by any of these terms, we may reduce or refuse to pay your claim or be entitled to recover from you any monies paid under the claim.

Would you like more information about how we pay claims?

For more information about how we pay bike claims under this policy, including examples of different claim types and payments, you can read our AAMI Comprehensive Motorcycle Insurance – Premium, Excesses & Claims Guide. It is available on our website at aami.com.au (under the Motorcycle Insurance section) or call us on 13 22 44 if you would like us to post you a free copy.



About excesses, ratings and benefits

Excesses

An excess on your policy is the amount you have to pay towards each claim. If your claim is for more than one occurrence, the excess(es) applicable to each occurrence will be payable.

The excesses that apply to your policy are shown on your insurance schedule and updated on your renewal notice. They are also described in our AAMI Comprehensive Motorcycle Insurance – Premium, Excesses & Claims Guide. See page 29 for how to access the Guide. When you make a claim we may require you to pay the excess(es) before we make any payment or provide you with any policy benefits, or we may deduct the excess(es) from any payment we make. We will tell you when and how the excess(es) are to be paid or deducted.



The types of excesses are:

Standard This is the basic excess you must contribute towards each claim.

Flexi-premium® By choosing a Flexi-Premium excess you pay a lower premium by increasing your policy's excess. A Flexi-Premium excess is additional to your standard excess. Please visit aami.com.au or call us on 13 22 44 if you would like to take up or change a Flexi-Premium excess.

Age This excess is additional to any other excesses if your bike was being ridden by a person in the age ranges specified on the most recent of your insurance schedule and renewal notice.

Additional This excess may be imposed in special circumstances, for example on high performance bikes. It is payable in addition to any other excesses.

Inexperienced rider This excess is additional to any other excesses if your bike was being ridden by a person to whom an age excess does not apply, but who has held a motorcycle licence for less than two years.



Will you have to pay any excess?

What happened?	Will you have to pay any excess?
An accident or event that was your fault.	Yes
An accident or event that wasn't your fault	No
and you can give us the name and address of the person who was at fault or the registration number of their vehicle.	
but you can't give us the name and address of the person who was at fault or the registration number of their vehicle.	Yes , because we won't have the opportunity to recover the cost of the damage to your bike.
The bike was stolen.	Yes , because we won't have the opportunity to recover the cost of the damage to your bike.
Your bike was damaged:	
while it was parked.	
by an animal or a weather event such as storm, wind or hail.	
by fire.	
maliciously.	

Ratings – the better your safe riding record, the lower your rating, the higher the discount on your bike insurance premium

Ratings are a measure of your safe riding status and are used to provide you with a discount on your bike insurance premium. The better your safe riding record, the lower your rating. For example, a rating three indicates a better safe riding record than a rating six. The lower your rating, the higher the discount on your bike insurance premium. Providing no claim that negatively affects your rating is made on your policy, your rating goes down one level each year until it reaches rating one.

Will your rating be affected by your claim?

What happened?	Will your rating be reduced?
An accident or event that was your fault.	Yes
	No , if you are an AAMI Lifetime Rating One policyholder or if you have purchased AAMI Rating Protection. See also page 38.



What happened?

An accident or event that:

wasn't your fault and is not listed below

and you can give us the name and address of the person who was at fault or the registration number of their vehicle.

but you can't give us the name and address of the person who was at fault or the registration number of their vehicle.

Will your rating be reduced?

No

Yes, because we won't have the opportunity to recover the cost of the damage to your bike.

No, if you are an AAMI Lifetime Rating One policyholder or if you have purchased AAMI Rating Protection. See also page 38.

Your bike was stolen.

Your bike was damaged:

while it was parked.

by an animal or a weather event such as storm, wind or hail.

by fire.

maliciously.

No

AAMI provides these premium related benefits

	How is this benefit obtained?	What/who does it cover?	What is the benefit?
Lifetime Rating One	When you have been an AAMI Rating One policyholder for one year without any at fault claims, we recognise your good riding record by awarding you AAMI Lifetime status.	Bikes insured in your name under AAMI policies to which we have awarded AAMI Lifetime Rating One status.	AAMI Lifetime Rating One is protected for life, regardless of who was at fault in any claim you may make on this policy.
Same Rating – spouse or partner	By insuring your spouse or partner's bike with AAMI.	Your spouse or partner living with you.	When your bike is insured with us, we'll insure your spouse or partner's bike at the same rating up to a maximum of Lifetime Rating One. Your spouse or partner has to be living with you. Our normal insurance acceptance conditions apply to the rider and the bike.



	How is this benefit obtained?	What/who does it cover?	What is the benefit?
Family Rating – your children	By having your children insure their bikes for comprehensive cover with AAMI.	Your children, provided your bike is comprehensively insured with AAMI.	When your children insure their bikes for comprehensive cover with AAMI, we give them a rating for each year they've been riding claim free plus one additional claim free year. Our normal insurance acceptance conditions apply to the rider and the bike. See also the AAMI Skilled Drivers course on page 14.

	How is this benefit obtained?	What/who does it cover?	What is the benefit?
Earned Rating – new policy-holder	By switching your bike insurance to AAMI.	You or your spouse or partner living with you.	When you switch your bike insurance to AAMI, we'll welcome you with the rating you would have earned had you always been comprehensively insured with AAMI.
Earned Rating – third party to comprehensive	By switching from third party property damage to AAMI comprehensive bike insurance.	You.	When you switch from third party to AAMI comprehensive bike insurance, we'll welcome you with the rating you would have earned had you always been comprehensively insured with AAMI.



	How is this benefit obtained?	What/who does it cover?	What is the benefit?
AAMI Rating Protection	By paying an extra amount when you pay your premium.	You or your spouse or partner living with you. This benefit is not available to some policyholders. Please call us on 13 22 44.	Your rating is protected for one at fault claim during the period of cover.

AAMI Safe Rider Rewards™ and Status

As you progress through the AAMI rating system, AAMI monitors your safe riding status.

If you have completed the AAMI Skilled Drivers course, your status is **Silver**.

If you have achieved Rating One, your status is **Gold** and remains so provided you complete the next two years without making any at fault claims.

After the first of those two consecutive years, you become an AAMI Lifetime Rating One rider. See page 35.

After the second of those two consecutive years, your status changes to **Platinum**.

When you have not made any at fault claims in consecutive following years, we reward your safe riding progressively with additional benefits, as shown in the table on pages 40–41.

The benefits reward the particular number of years you have accumulated at the end of a period of cover and are awarded when you renew this policy. Apart from the AAMI Skilled Drivers Discount, they are retained for as long as you continue to ride without making any at fault claims.

For example, when you renew this policy after completing the following number of consecutive years – without making any at fault claims – after achieving Gold status:

two, you receive the Earned Safe Rider Discount;

four, you receive the Earned Excess Credit and you retain your Earned Safe Rider Discount;

six, you receive the Earned Discount Hire Car Benefit and you retain both your Earned Safe Rider Discount and your Earned Excess Credit.



	The reward is obtained by completing:	What is the reward?	Safe Rider Status
AAMI Skilled Drivers Discount	The AAMI Skilled Drivers course as an under 25-year-old.	A Skilled Drivers Discount on your next policy premium, until you turn 25.	Silver
AAMI Rating One	The number of years we require you to have: held your bike rider's licence, and/or completed without making any at fault claims.	A Rating One discount on your next policy premium.	Gold
AAMI Lifetime Rating One	One year as an AAMI Rating One policyholder without making any at fault claims. See page 35 for full details.	AAMI Lifetime Rating One is protected for life, regardless of who was at fault in any claim you may make on this policy.	Gold
Earned Safe Rider Discount	Two consecutive years on Gold status without making any at fault claims.	A discount on your policy premium.	Platinum
Earned Excess Credit	Two consecutive years on Platinum status without making any at fault claims.	Your standard excess will be discounted if you make a claim.	Ruby

	The reward is obtained by completing:	What is the reward?	Safe Rider Status
Earned Discount Hire Car Benefit	Two consecutive years on Ruby status without making any at fault claims.	The Discount Hire Car Benefit for no extra premium. (See page 15.)	Sapphire
Earned Safe Rider Rewards Protection	Two consecutive years on Sapphire status without making any at fault claims.	Your earned Safe Rider Rewards are protected for one at fault claim during a period of cover.	Diamond

The rewards you have qualified for at the end of a period of cover:

are available to you during the following period of cover upon renewal of your policy, and

will remain available to you provided you complete each subsequent period of cover without making any at fault claims, apart from the AAMI Skilled Drivers Discount if you are 25 years or older. See also 'Diamond Safe Rider status' above.

If you are a:

Platinum, Ruby or Sapphire Safe Rider status and you make one or more at fault claims on your policy during a period of cover, your Safe Rider Rewards status will need to be re-earned from when you next renew your policy.

Diamond Safe Rider status, your status is protected for one at fault claim during a period of cover.

Any AAMI Safe Rider Rewards you have earned on this policy will be shown on the most recent of your insurance schedule and your renewal notice.



Important general information

You can contact us:

By phone: Call 13 22 44 (24 hours a day every day of the year).

Via the internet: aami.com.au

By mail: AAMI, PO Box 14180, Melbourne City Mail Centre, Victoria, 8001.

In person: Call 13 22 44 for the address of the closest AAMI branch or Customer Service Centre.

When we quote you a premium

When we quote you a risk premium for insuring your bike, some of the factors we take into account include:

- the insurance history, bike riding history, and age of the people who will be riding your bike,

- what you use your bike for and where it is usually kept,

- the value, age, make and model of your bike and whether it has any accessories or modifications,

- the frequency of your payment instalments, and

- whether you have chosen to vary your policy excess.

Government taxes and charges are added to the risk premium we quote. The total of these amounts is the premium we charge you.

For more information about the factors we take into account, you can read our AAMI Comprehensive Motorcycle Insurance – Premium, Excesses & Claims Guide. It is available on our website at aami.com.au (under the Motorcycle Insurance section) or calls us on 13 22 44 if you would like us to post you a free copy.

Excesses may be payable on any claim you make on this policy. See pages 30–32 for further details.

Paying your premium

The notices we issue at the commencement and each renewal of your policy show the various payment methods available to you.

A change to your policy details (for example change of address, change of bike or modifications) may affect the premium you need to pay for the remainder of your period of cover. If a refund of \$10 or more is payable, we will send you a cheque or credit your credit card account. Any extra premium needs to be paid by you within 14 days. If you do not pay the additional premium, we may reduce your period of cover to correspond with the amount you have already paid.

Paying by instalments

You may be eligible to pay in regular instalments by direct debit. The total premium we charge is higher when you pay in instalments than when you pay one sum annually.

Your responsibilities when paying by instalments

When paying by instalments:

- you must be an authorised signatory on the account nominated for your direct debit payments.

- you must ensure that your nominated account can accept direct debits and has sufficient funds to meet each payment at each due date.

- your financial institution may also apply its own fees (including dishonour fees). Those fees are your responsibility.

What happens if your instalment remains unpaid?

If our scheduled debit attempt is unsuccessful, we will send you one or more notices to inform you of the failure. We will also attempt to debit your account again during the four weeks immediately after our unsuccessful scheduled debit attempt.



AAMI will not accept any claims after an instalment payment has remained unpaid for a period of 14 days or more from its original due date.

If the instalment payment remains unpaid for one month or more from its original due date, AAMI may cancel your policy without giving you advance notice of the cancellation.

Any notice of our intention to again debit your account will not extend our final claims acceptance date or the date we cancel your policy.

Changing your instalment payments

If you wish to change or cancel your direct debit arrangements, you need to contact us at least seven days before the debit day.

If you cancel the debit completely, you will need to arrange for another way to pay us your premium, to ensure you remain covered.

Important things to remember when paying by instalments

When you first commence your direct debit payments, or when you change your account details, it may take up to 14 days for us to first debit your account.

Where your debit day falls on a weekend or a nationally declared public holiday, we will debit your account on the next business day.

If you believe that we may have incorrectly debited your account, please call us on 13 22 44.

If we decide to make a write-off payment or replace your bike under your policy, we will require you to first pay us the total unpaid balance of your premium as we have agreed to cover your bike under the terms of the policy for the full period of cover. In the case of a write-off payment, we will deduct your unpaid premium from the payment we make.

Government taxes and charges

AAMI shows on receipts any government taxes and charges such as GST,

Stamp Duty and Fire Services Levy that are payable in addition to your risk premium. See 'When we quote you a premium' page 42.

GST

The agreed value for your bike and the legal liability cover we provide both include GST. Any amounts we pay under 'The benefits we provide' include GST.

Renewing your policy

When we offer to renew your policy:

- we will send you a notice before the policy expiry date;

- we will tell you in writing if there are any changes to the policy;

- we may require an additional premium if you make a claim in the short period between the time we calculated the renewal premium and the expiry of your policy, or if you tell us about changes to your policy details in that period and we tell you they will increase your renewal premium. If the additional premium is not paid, we may reduce the period of cover to match the reduced amount paid.

Changing your address details

If you change the insured address (the address where your bike is normally left overnight), please call us and we will:

- update your details and tell you if there is any difference in the terms and conditions of your policy as it applies at your new address;

- refund or charge you any difference between the premium you paid and the premium we charge for the remainder of your period of cover for bikes insured at your new address. If a refund of \$10 or more is payable, we will send you a cheque or credit your credit card account.

If you do not tell us of a change of insured address and you make a claim, we will ask you to pay any increased premium or we will reduce the claim by that amount.



Cooling off period and cancelling this policy

Federal law provides that you can cancel this policy within 14 days of its purchase date. AAMI allows you to cancel your policy at any time.

In both cases, we will refund you the unexpired portion of the risk premium component of your total premium, as well as a pro-rata refund of any taxes and charges to which you are entitled to by law, less a \$30 processing charge.

To cancel your policy, please call AAMI on 13 22 44.

We can only cancel your policy by giving you written notice in accordance with the Insurance Contracts Act 1984.

Joint policyholders

If more than one person takes out this insurance, each is a joint policyholder.

Each joint policyholder gives authority to each other joint policyholder to make any changes to this policy including cancelling this policy or removing a joint policyholder.

AAMI may agree to any change without notice to any person other than the joint policyholder requesting the change.

The privacy of your personal information

We are committed to protecting the privacy of your personal information. That commitment is reflected in the AAMI Customer Charter and in our compliance with the Privacy Act 1988. For further information, please visit our website aami.com.au or call us on 13 22 44 for a copy of our 'AAMI and Your Personal Information' brochure.

AAMI's Customer Charter

We are committed to always provide you with the highest standard of service. The AAMI Customer Charter is a written document containing service and reporting promises which we are bound to deliver. In fact, we impose a penalty on ourselves if we fail to do so.

This unique Charter was drawn up through consultation with our staff, our customers and industry regulators, and is reviewed annually. Compliance with our promises is independently audited every year and the results are reported publicly.

The AAMI Customer Charter, introduced in 1996 was Australia's first general insurance customer charter, and indeed, first retail customer charter. The Charter is your guarantee that we're always striving to deliver the best in customer service.

AAMI's Dispute Resolution Process

If you are unhappy with anything we have told you or done for you, we want you to tell us about it. If we cannot resolve the matter to your satisfaction, other appeal processes are available to you. See pages 50–51.

The General Insurance Code of Practice

AAMI is a signatory to the General Insurance Code of Practice which sets out a commitment by the general insurance industry to maintain service standards and to ensure good relations between customers and insurers.

The Code describes standards in areas such as buying insurance, claims handling, responding to catastrophes, education and dispute resolution. The Code is backed by consumer groups, the federal government, insurers and the Insurance Council of Australia.

More information on the Code, or a copy of the Code, can be obtained from the Financial Ombudsman Service (FOS). You can contact the FOS on 1300 780 808 (local call cost), or you can access the Code at codeofpractice.com.au



What do we mean by that?

AAMI, we, us, and our mean Australian Associated Motor Insurers Limited (ABN 92 004 791 744).

Agreed value is the most we will pay for your bike, less any excess and any other deductions this policy explains, for any accidental loss and damage covered by this policy occurring during the period of cover. The agreed value includes GST. The current agreed value is shown on the most recent of your insurance schedule and your renewal notice. See page 9 for how we set your bike's agreed value.

Bike means a motorcycle or scooter.

Cover and **covers** mean the protection provided by your policy.

Endorsement means a special condition that applies to your policy. For example, an endorsement may state that riders under a nominated age are not covered under the policy. Any endorsements to your policy are shown on your policy schedule.

Excess. An excess on your policy is the first amount that you must contribute towards each claim. When one or more excesses apply to your policy, they will be shown on the most recent of your insurance schedule and your renewal notice. See also page 30.

PDS means Product Disclosure Statement.

Period of cover means the current period for which we have agreed to provide you with insurance cover. The current period is shown on the most recent of your insurance schedule and renewal notice and any receipt we may send to you. When we make a write-off payment or replace your bike, the period of cover comes to an end. See also page 26.

Policy means this PDS (including any supplementary PDS) and your **policy schedule**.

Your **policy schedule** comprises the notices we give you which show the particular details and the current status of your policy. These notices are the most recent of your **insurance schedule** and **renewal notice**, and any **receipt** we may send you.

Your **insurance schedule** sets out the information you have given us on which we have based our decision to insure you as well as the individual details of your policy. We will send you an updated insurance schedule whenever you advise us of a change in this information or these details.

Use. The types of use of your bike that we insure are:

Private use: Use of your bike for –

social, domestic and pleasure purposes, and

commuting to/from work and incidental business use where you are not using your bike during your full-time, part-time or casual working period as an integral means of earning an income.

Business use: Use of your bike –

during your full-time, part-time or casual working period as an integral means of earning an income that you have told us about and we have agreed in writing to cover, and

for social, domestic and pleasure purposes.

Private use and **business use** both cover the private use of your bike in conjunction with repairing, servicing and demonstration for private sale.

Write-off. Your bike is declared a write-off when in our opinion, it is so badly damaged that it would not be either safe or economical to repair or when it has not been found within 14 days of you reporting its theft to us.

You and **your** mean the person or persons named as the insured in your policy schedule.

Your bike means the motorcycle or scooter described in your policy schedule and includes the manufacturer's standard options and accessories fitted to it and other options, accessories and modifications that you have told us about and we have agreed in writing to cover.



AAMI's Dispute Resolution Process

What to do if you are not satisfied with your dealings with AAMI

Here is how AAMI helps you if you are not satisfied with your dealings with us.

1. Who do you talk to?

If you are not satisfied with anything we have told you or done for you in connection with any of our products or services, please tell us. You can write, email or phone us on 13 22 44 or call in to an AAMI branch. Most times we will be able to sort the matter out to your satisfaction.

2. Our Consumer Appeals Service

However, if you are not satisfied with our response, you can ring, write to or email our Consumer Appeals Service with the details. Our Consumer Appeals Service will respond to you within five working days of you notifying us of your concerns.

3. Appealing to the independent dispute resolution scheme

If you remain dissatisfied, you can appeal to the Financial Ombudsman Service (FOS). We will tell you how you can do this.

The FOS is an independent industry dispute resolution scheme. You can contact the FOS on 1300 780 808 (local call cost) or by email to info@fos.org.au. You can also visit the FOS's website at www.fos.org.au.

There is no charge for appealing to the FOS.

4. Are any decisions binding on you?

You do not have to accept any decision AAMI or the FOS makes. You always have the option of seeking remedies elsewhere.

Any decision the Consumer Appeals Service makes or the FOS makes is binding on AAMI, provided you also accept the decision.

How to contact AAMI

Phone: Call 13 22 44 (24 hours a day, 7 days a week).

How to contact our Consumer Appeals Service

Phone: 1300 130 794 (local call cost)
9am to 5pm EST Monday to Friday.

Fax: (03) 9529 1214.

Write to: The Consumer Appeals Service, AAMI, PO Box 14180,
Melbourne City Mail Centre, Victoria 8001.

Email: consumerappeals@aami.com.au

How to contact the Financial Ombudsman Service

Phone: 1300 780 808 (local call cost).

Email: info@fos.org.au

Financial Claims Scheme

This policy may be a 'protected policy' for the purposes of the Federal Government's Financial Claims Scheme (FCS). For more information about the FCS, you can read our AAMI Comprehensive Motorcycle Insurance – Premium, Excesses & Claims Guide. See page 29 for how to access the Guide.

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We're here to help you
24 hours a day
7 days a week

13 22 44

aami.com.au

Customer Comment Line: 1300 360 361
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