

Car Insurance

Your guide to Premiums, Excesses,
Discounts and Claim Payments



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The Premiums, Excesses, Discounts and Claim Payments Guide (**PED Guide**) is designed to provide you with additional information about how we calculate premiums and determine excesses and discounts and pay claims under the policy. You should read this PED Guide together with our GIO Car Insurance Product Disclosure Statement (**PDS**) dated 24 May 2013.

This guide is relevant to you if your policy has a commencement date on or after 11 December 2017 or a renewal effective date on or after 5 February 2018.

About your premium

The rated premium is the amount we calculate that reflects the likelihood of you making a claim together with other factors related to our cost of doing business.

We use many factors about you and your car to work out your rated premium including the level of cover you choose.

The importance we place on the factors we use can change and how those factors combine to affect the rated premium will differ from person to person. The rated premium you pay includes any discounts we give you, as well as any applicable stamp duty, goods and services tax (GST), charge and levy.

Each time you renew your insurance your rated premium is likely to change, even if your personal circumstances have not changed. This is because your rated premium is affected by other things including:

- The cost of claims we have paid to other customers and claims we expect to pay in the future;
- New and updated data we use to calculate your rated premium;
- Our expenses of doing business;
- Other commercial factors.

When determining your rated premium on renewal, we also consider how much your rated premium was previously. As such, we may limit movements up or down.

Significant factors affecting your rated premium include a combination of some or all of the following:

Factor	GIO Platinum cover	Comprehensive cover	Fire, Theft and Third Party Property Damage cover	Third Party Property Damage cover
Amount covered	✓	✓	✓	✗
Address where car is kept	✓	✓	✓	✓
Car use	✓	✓	✓	✓
Age of driver(s)	✓	✓	✓	✓
Gender of driver(s)	✓	✓	✓	✓
Type of car	✓	✓	✓	✓
Whether the car is financed	✓	✓	✓	✓
Car age	✓	✓	✓	✓
Annual distance the car is driven	✓	✓	✗	✗
Claims that you have told us about that were made by driver(s) on other policies	✓ (but not if the car shown on your certificate of insurance has Rating 1 for Life)	✓ (but not if the car shown on your certificate of insurance has Rating 1 for Life)	✗	✗

Factor	GIO Platinum cover	Comprehensive cover	Fire, Theft and Third Party Property Damage cover	Third Party Property Damage cover
Claims made on the policy previously	✓ (but not if the car shown on your certificate of insurance has Rating 1 for Life)	✓ (but not if the car shown on your certificate of insurance has Rating 1 for Life)	✗	✗
The policy options you have chosen	✗	✓	✗	✗
Whether you choose a voluntary excess	✓	✓	✗	✗
Whether you have previously paid your policy by instalments	✓	✓	✗	✗

If you pay by instalments your rated premium will be higher than if you choose to pay in one annual payment.

The amount you pay for this insurance is your premium and it includes the rated premium less any GIO Claims Free Savings credit you are eligible for (see page 4 for more details). Any GIO Claims Free Savings credit we apply is inclusive of relevant government charges.

Our discounts

Discounts are also a factor that can affect your rated premium. Any discounts are usually calculated and applied before the application of government taxes and charges.

The main discounts we offer are:

- Family discount;
- Multi-policy discount;
- Combined NSW CTP Green Slip discount.

Family discount	Multi-policy discount	Combined NSW CTP Green Slip discount
10%	10%	\$50

From time to time we might also offer discounts or some other special offers as part of a marketing campaign. If we do this, separate terms and conditions may apply and you might not be eligible for our usual discounts. The amount and type of discount offered can change or be withdrawn.

If you are eligible for more than one discount, we usually apply any subsequent discount to the already discounted rated premium.

Discounts do not apply to the GIO Roadside Assist portion of the premium, if you purchase that optional cover.

Family discount

You may be eligible to receive a family discount on GIO Platinum or GIO Comprehensive Car insurance if you are under 25 years old and your parents have either GIO Platinum or GIO Comprehensive Car insurance.

Multi-policy discount

A multi-policy discount rewards you with a discount off your premium for holding three or more eligible paid personal insurance policies with us. There must be a common mailing address and the person(s) seeking the discount must be nominated as an insured with the same name on each eligible policy. If you take out a new policy and qualify for the multi-policy discount, you are eligible to receive the discount on that new policy immediately and on your other existing policies from their next renewal date, provided you still qualify. If you believe you are eligible for the multi-policy discount but it is not shown on your certificate of insurance, please contact us. Eligible personal insurance policies are home, contents, car, motorcycle, caravan, boat. A GIO NSW CTP Green Slip and a GIO ACT CTP insurance policy count as eligible policies, but the premium for these policies cannot be discounted.

Combined NSW CTP Green Slip discount

If you have GIO Platinum or GIO Comprehensive Car insurance with us, when you combine it with a GIO NSW CTP Green Slip on the same car you may be eligible for a discount on your GIO Platinum or GIO Comprehensive Car insurance premium for that car. Any discount that applies will be applied on renewal, provided you still qualify. The discount cannot be applied to the GIO NSW CTP Green Slip premium. There must be a common NSW car registration number on the GIO CTP and GIO Platinum or GIO Comprehensive policy. If you believe you are eligible for this discount but it is not shown on your certificate of insurance, please contact us.

GIO Claims Free Savings

If you have GIO Claims Free Savings, each year you insure your car with us on GIO Platinum or GIO Comprehensive Car insurance without making an excess payable claim, we will reward you with a percentage of the rated premium that you paid up to a maximum of 20% as a credit on the renewal of your policy for that car. With GIO Claims Free Savings we will take into account your claims history when we calculate your rated premium. Refer to the Product Disclosure Statement ([PDS](#)) on page 8 for more details.

Years of continuous insurance for GIO Claims Free Savings	Credit
1-4	5%
5-9	10%
10-14	15%
15+	20%

From time to time we might have special offers which may mean that we acknowledge an extended car insurance history to determine your years of continuous insurance for GIO Claims Free Savings. Refer to the 'Your Rewards' section of your certificate of insurance for details of GIO's acknowledgement of your years of continuous insurance for the calculation of any applicable GIO Claims Free Savings credit.

Government taxes and charges

After we have calculated the amount to cover your car insurance policy any applicable stamp duty, GST, charge and levy are then applied.

Your excess

The different types of excesses are:

Standard excess

Your standard excess depends on the type of car you are insuring, the state or territory where your car is kept, the type of cover you have chosen, and on whether we have imposed an additional amount in your standard excess. We take into account a number of factors when determining whether we will include an additional amount in your standard excess, such as:

- the type or condition of your car you are insuring;
- our assessment of your (or a listed driver's) driving and/or overall accident and claim history in the last 3 years.

Note: The standard excess cannot be reduced. You can increase your excess level by choosing a voluntary excess for our GIO Platinum and Comprehensive levels of cover.

Voluntary excess

The range of voluntary excess we offer for our GIO Platinum and Comprehensive levels of cover is between \$200 and \$2,000.

Age excess

If the driver is under 25 years of age and listed on the certificate of insurance, the age excess is \$400. If the driver is under 25 years of age and not listed on the certificate of insurance, the age excess is \$1,400. If the driver is a learner driver, the age excess that applies is as if the learner driver was listed on the certificate of insurance.

Note: Learner drivers are not required to be listed on the policy.

Example: The age excess will not apply if, at the time of the incident, the person in control was being paid for a service i.e. where the car is being serviced or test driven, or driven by a car park attendant or valet.

Inexperienced driver excess

If the driver is 25 years of age or over, has held their driving licence for less than two years, and they are listed on the certificate of insurance, their inexperienced driver excess is \$400. If the driver is 25 years of age or over, has held their driving licence for less than two years and they are not listed on the certificate of insurance, their inexperienced driver excess is \$1,400. If the driver is a learner driver, the inexperienced driver excess that applies is as if the learner driver was listed on the certificate of insurance.

Note: Learner drivers are not required to be listed on the policy.

Example: The inexperienced driver excess will not apply if, at the time of the incident, the person in control was being paid for a service i.e. where the car is being serviced or test driven, or driven by a car park attendant or valet.

Driver history excess

The driver history excess is \$800.

Claim payments

The following examples are designed to illustrate how a claim payment might typically be calculated. The examples do not cover all scenarios or all benefits and do not form part of your policy terms and conditions. They are a guide only. GIO always determines real claim payments on an individual basis, after we have assessed each claim. You should read the PDS and your certificate of insurance for full details of what we cover as well as what policy limits, conditions and exclusions apply.

Notes about the claim payment examples:

- all amounts are shown in Australia dollars and are GST inclusive;
- all examples assume that you are not registered for GST;
- the excess in the examples may not be the same as your excess. Refer to your certificate of insurance for your excesses.

Example 1 – Total loss

Your car is 5 years old and is comprehensively insured for an amount covered of \$14,000. Your standard excess is \$650 and you have not chosen a voluntary excess. Your car is damaged by hail and we assess the cost of repairs to your car will be \$11,300. The estimated salvage value of the car is \$4,200. We decide it is uneconomical to repair your car and determine it to be a 'total loss'. As your car is more than 2 years old the 'New for old car replacement' additional feature does not apply to you.

How much we pay		Additional Information
Amount covered	\$14,000	When your car is damaged accidentally, we decide that it is a total loss when it is uneconomical, impractical or unsafe to repair.
Less excess	-\$650	As your car has been damaged by hail the standard excess applies. We deduct this from the amount we pay to you unless you have already paid the excess to us for this claim.
Less registration and compulsory third party (CTP) refund	-\$150	We deduct the unused registration and CTP insurance that you are entitled to claim from the NSW Roads and Maritime Services (RMS).
If your insurance was paid through monthly instalments of \$60 per month and there are four remaining monthly payments in the period of insurance when your car is damaged:		
Less outstanding premium	-\$240	The 4 x \$60 monthly repayments become due when we decide your car is a total loss. We normally deduct this from the amount we pay to you.
Total claim	\$12,960	We would normally pay this directly to you. If a credit provider has a financial interest in the car then we would normally pay your credit provider what they are owed first (up to your amount covered) and pay any balance to you.

Once we settle the claim, all cover on the car stops, and your policy is cancelled. The salvage becomes our property and we are entitled to keep the proceeds of its sale. This does not affect the amount we pay you.

Example 2 – New car after a total loss for cars less than 2 years old

Your car is comprehensively insured for an amount covered of \$29,800. Your standard excess is \$650 and you have not chosen a voluntary excess. Your car is damaged by fire and we decide your car is a total loss. Your car is less than 2 years old and you qualify for the 'New car after a total loss for cars less than 2 years old' additional feature (see page 19 in the PDS for full details). The cost to replace your car with a new one of the same make and model, including all on road costs, is \$31,300.

How much we pay		Additional Information
Cost to replace your car including on road costs	\$31,300	We pay \$31,300 because your car is less than 2 years and you qualify for the 'New car after a total loss for cars less than 2 years old' additional feature (see page 19 in the PDS for full details). We pay this amount directly to the car dealership.
Less excess	-\$650	As your car has been damaged by fire the standard excess applies. You pay your excess directly to us.
Towing costs	+\$500	We arranged for your car to be towed to our closest assessment centre as the car was not able to be driven (see page 22 in the PDS for details on towing costs). The towing company has invoiced us. We will pay the towing company.
Total claim	\$31,150	

Your policy will continue to its expiry date if we agree to continue to insure you. The salvage becomes our property, including any unexpired registration and CTP insurance and we are entitled to keep the proceeds of its sale. This does not affect how much we pay.

Example 3 – Lifetime new car replacement – GIO Platinum

Your car is insured with the GIO Platinum cover and you have held that cover continuously from when you bought your car new. Your car is insured for an amount covered of \$40,000. Your standard excess is \$650 and you have not chosen a voluntary excess. You are involved in an accident that causes extensive damage to your car and we decide your car is a total loss. Your car is 6 years old and you are the first registered owner of your car. You qualify for the 'Lifetime new car replacement' additional feature (see page 15 in the PDS for full details). The cost to replace your car with a new one of a similar make and model, including all on road costs, is \$45,000.

How much we pay		Additional Information
Cost to replace your car including on road costs	\$45,000	We pay \$45,000 because you have GIO Platinum cover and you qualify for the 'Lifetime new car replacement' additional feature (see page 15 in the PDS for full details). Due to the age of your car we are unable to replace your car with the same make and model, however we provide you with a new car that in our opinion is a similar make and model to your car. We pay this amount directly to the car dealership.
Less excess	-\$0	You do not need to pay the standard excess as we agree that you did not cause the accident. You have provided us with the name and address of the person who caused the accident.
Towing costs	+\$800	We arranged for your car to be towed to our closest assessment centre as the car was not able to be driven (see page 22 in the PDS for details on towing costs). The towing company has invoiced us. We will pay the towing company.
Total claim	\$45,800	

Your policy will continue to its expiry date if we agree to continue to insure you. The salvage becomes our property, including any unexpired registration and CTP insurance and we are entitled to keep the proceeds of its sale. This does not affect how much we pay.

Example 4 – Partial loss

Your car is insured for comprehensive cover for an amount covered of \$12,700 and you have the 'Hire car after an event up to 14 days' option (see page 28 in the PDS for full details).

Your standard excess is \$650 and you have not chosen a voluntary excess. During a storm a tree branch has fallen and damaged your car. We assess the repairs to your car will cost \$6,000 and estimate it will take 7 days to repair the car. The estimated salvage value of the car is \$6,100.

How much we pay		Additional Information
Damage to car	\$6,000	We decide your car is repairable.
Less excess	-\$650	Your standard excess applies. We usually ask you to pay us your excess when you lodge your claim, otherwise to pay the repairer when you pick up your car after it has been repaired.
Claim so far	\$5,350	We normally pay this directly to the repairer.
We have arranged for you to use a 'compact' category hire car whilst your car is being repaired.		
Plus hire car costs	+\$350	The hire car company has invoiced us. The cost is \$50 per day for 7 days. We will pay the hire car company.
Total claim	\$5,700	

Example 5 – GIO Platinum Windscreen and window glass cover

Your car is insured with GIO Platinum cover and the 'GIO Windscreen and window glass cover' is automatically included (see page 17 in the PDS for full details). Your windscreen has been damaged by a stone from loose gravel whilst you were driving and needs to be replaced. It will cost \$350 to replace the windscreen.

How much we pay		Additional Information
Replacement windscreen	\$350	The windscreen company has invoiced us. We will pay the windscreen company.
Less excess	-\$0	As you qualify for the 'GIO Platinum windscreen and window glass cover' additional feature (see page 17 in the PDS for full details) no excess applies to one claim only in the period of insurance.
Total claim	\$350	

Example 6 – Legal liability

Your car is insured for Third Party Property Damage cover. You are 23 years old and are a listed driver on the policy. Your standard excess is \$650, your age excess as a listed driver is \$400. You are involved in an accident causing damage to another car. We determine that you are at fault and liable to pay the cost of repairs for the damage caused to the other car. The cost of repairs to the other car is \$35,000. As you have Third Party Property Damage cover, you are not insured for the damage to your own car.

How much we pay		Additional Information
Damage to the other car	\$35,000	We normally pay the cost of repairs directly to the third party claimant or their insurer.
Less excess	-\$1,050	As you are at fault the standard excess applies along with the age excess. You pay this amount directly to us before we pay the third party.
Total claim	\$33,950	

Example 7 – Stolen car

Your car is covered for Fire, Theft & Third Party Property Damage cover. It is insured for the amount covered shown on your certificate of insurance. The amount shown on your certificate of insurance is \$8,000. Your standard excess is \$650. The car is stolen and you report this to the police. Your car is not found within 14 days of being stolen. We determine it is a total loss.

How much we pay		Additional Information
Amount covered	\$8,000	You have an amount covered of \$8,000 and this is shown on your certificate of insurance.
Less excess	-\$650	As your car was stolen the standard excess applies. We deduct this from the amount we pay to you unless you have already paid the excess to us for this claim.
Less registration and compulsory third party (CTP) refund	-\$150	We deduct the unused registration and CTP insurance that you are entitled to claim from the NSW Roads and Maritime Services (RMS).
Claim so far	\$7,200	We would normally pay this directly to you. If a credit provider has a financial interest in the car then we would normally pay your credit provider (up to the applicable limits of your policy) what they are owed first and pay any balance to you.
As your car was stolen and not recovered we have arranged for you to use a 'compact' category hire car for up to 14 days (see 'Hire car after theft' additional feature on page 21 in the PDS for full details).		
Plus hire car costs	+\$700	We settled your claim 14 days after you told us about your car being stolen. We pay the hire car company for 14 days car hire calculated at \$50 per day. The hire car company has invoiced us. We will pay the hire car company.
Total claim	\$7,900	

Once we settle the claim, all cover on the car stops, and your policy is cancelled.

