

Motor Vehicle Insurance

Your Guide to Premiums, Excesses, Discounts and Claim Payments



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This Premiums, Excesses, Discounts and Claim Payments Guide (Guide) is designed to provide you with additional information about how we calculate premiums for, and pay claims under, the policy. You should read this Guide together with our GIO Motor Vehicle Insurance Product Disclosure Statement dated 16 February 2012. The date is shown on the back cover of the PDS in the format "PDS dated".

This Guide is relevant to you if your policy has a commencement or renewal effective date on or after 17 January, 2013.

About your premium

The premium is the amount you pay us for this insurance. It reflects what we consider is the likelihood of you making a claim, other factors related to our cost of doing business and any discounts we give you, stamp duty, goods & services tax (GST), any other government charges and fire services levy if applicable.

When we calculate your premium there are a range of factors we take into account. The importance we place on the factors we use can change and how those factors combine to affect your premium will differ from person to person.

Each time you renew your insurance your premium is likely to change, even if your personal circumstances have not changed. This is because the premium you pay is also 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 premium
- › our expenses of doing business
- › changes in government taxes and any State or Territory duties or levies and
- › other commercial factors.

In some cases we will also adjust the sum insured to reflect the changed value of the vehicle.

When determining your renewal premium, we also consider how much you paid last year. As such, we may limit movements up or down to your premium to avoid large changes in premiums year on year.

The factors we use to calculate your premium may include:

Factor	GIO Platinum cover	Comprehensive cover				Fire, theft & third party property damage cover	Third party property damage cover	
	Car	Car	Motorcycle	Caravan	Trailer	Car	Car	Motorcycle
Address and/or locality where vehicle kept	✓	✓	✓	✓	✓	✓	✓	✓
Sum insured	✓	✓	✓	✓	✓	✗	✗	✗
Vehicle age	✓	✓	✗	✗	✗	✓	✓	✓ ¹
Type of vehicle	✓	✓	✓	✗	✗	✓	✓	✓
Age of drivers	✓	✓	✓	✗	✗	✓	✓	✓
Gender of drivers	✓	✓	✓ ²	✗	✗	✓	✓	✓
How the vehicle is used (private or business)	✓	✓	✗	✗	✗	✓	✓	✗
Vehicle finance	✓	✓	✗ ³	✗	✗	✓	✓	✗
Modifications and/or accessories	✓	✓	✗	✗	✗	✓	✓	✗
Optional covers	✓	✓	✗	✓	✗	✗	✗	✗
Level of basic excess	✓	✓	✓	✗	✗	✓	✓	✓
Whether you previously paid your policy by instalments	✓	✓	✗	✗	✗	✗	✗	✗
Claims or insurance history	✓	✓	✗	✗	✗	✗	✗	✗
Years of riding experience	✗	✗	✗ ⁴	✗	✗	✗	✗	✓ ⁵

Your premium will be higher if you choose to pay by the month, rather than annually.

1 Except in NT and WA

2 Except in VIC

3 Except in VIC and WA

4 Except in NT, VIC and WA

5 Except in WA

✓ used as a factor ✗ not used as a factor

Premium discounts

Discounts are also a significant factor affecting your premium. The premium you pay for your insurance includes any discounts we have given you. Any discounts are usually applied before the application of government taxes and charges.

These are some of the key discounts we offer:

- › No Claim Discount
- › Family Discount (see page 7 of the PDS)
- › Multi-policy Discount
- › Seniors Card Discount
- › Combined NSW CTP Green Slip Discount

At times we may also offer premium discounts to particular customers as part of a promotion or to take account of market conditions. If we do this, separate terms and conditions will usually apply and you might not be eligible for our usual discounts. These offers are usually short term in nature and can be withdrawn.

If you are eligible for more than one discount we apply any subsequent discount to the already discounted premium. Any discount we give you might not apply to all components of the premium (e.g. optional covers).

No Claim Discount

A No Claim Discount (NCD) (also known as a Rating) is a discount off your premium which is calculated based on things like your driving and insurance history. Your claims history may still impact the calculation of your premium even though you are eligible for a NCD/Rating. If you have a NCD/Rating, it is shown on your certificate of insurance.

If you make a claim your NCD/Rating will either, increase, reduce or remain the same (for full details see page 53 in the PDS). The discount your NCD/Rating is reduced to depends on the type of vehicle you are insuring. If you are on a 0% NCD/Rating your premium may be loaded instead of a discount being applied depending on the type of vehicle.

The tables below and on the following page set out the NCD/Rating levels and how they differ depending on the type of cover you have chosen, the type of vehicle you are insuring and the state where your vehicle is located.

Vehicles in ACT, NSW, NT and WA				
GIO Platinum	Comprehensive cover			
Car	Car	Motorcycle	Caravan	Trailer
Maximum NCD/ Rating 1 for life	Maximum NCD/ Rating 1 for life	N/A	N/A	N/A
60%	60%	20%	60%	60%
50%	50%	N/A	50%	50%
40%	40%	N/A	40%	40%
30%	30%	N/A	30%	30%
20%	20%	N/A	20%	20%
0%	0%	0%	0%	0%

Vehicles in VIC						
Rating	GIO Platinum	Comprehensive cover				Third party property damage cover
	Car	Car	Motorcycle	Caravan	Trailer	Motorcycle
Maximum NCD/Rating 1 for life	Maximum NCD/Rating 1 for life	Maximum NCD/Rating 1 for life	N/A	N/A	N/A	N/A
1 =	65%	65%	50%	25%	40%	47%
2 =	55%	55%	40%	N/A	N/A	31%
3 =	45%	45%	30%	N/A	N/A	20%
4 =	35%	35%	20%	N/A	N/A	13%
5 =	25%	25%	10%	N/A	20%	7%
6 =	0%	0%	0%	0%	0%	0%

Multi-policy discount

We might give you a discount off your premium for holding 3 or more eligible policies with us. You must have a common named insured and mailing address on each eligible policy in order to qualify for this discount. If you take out a new policy which means you 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. The discount cannot be applied to the GIO NSW CTP green slip premium.

Seniors card discount

We might give you a discount for being a Seniors card holder.

Combined NSW CTP Green Slip discount

If you have GIO Platinum or Comprehensive motor vehicle insurance with us on a maximum NCD/Rating, when you combine it with a GIO NSW CTP green slip on the same car we might give you a discount off your next GIO Platinum or Comprehensive motor vehicle insurance premium for that car (provided you still qualify).

Government taxes and charges

Motor vehicle insurance policies are subject to stamp duty imposed by State and Territory governments, GST and in NSW a FSL. These charges are applied as the final step in the premium calculation.

About your excess

The amount and types of excess are shown on your certificate of insurance and described in the PDS. The different types of excesses are:

Basic excess

Your basic excess depends on the type of vehicle you are insuring and the State or Territory where your vehicle is kept, the type of cover you have chosen and whether you have chosen to increase or decrease the basic excess. The ability to adjust your basic excess depends on the type of vehicle you are insuring and the State or Territory where the vehicle is kept.

Vehicle excess

In addition to the basic excess, we may decide to apply an additional vehicle excess because of the type of vehicle you own, the accessories fitted and/or modifications made to your vehicle.

Insurance or driver record excess

An additional excess may be imposed based on our assessment of your (or a listed driver's) driving and/or overall accident and claim history in the last 5 years.

Age or inexperienced driver excess

This excess may apply if the person driving, using or in charge of the vehicle at the time of the incident is under 25 years of age; or is 25 years of age or over, and has been licensed to drive for less than 2 years. This excess will usually be higher if the driver (except for learner drivers) at the time of the incident was not shown on your certificate of insurance as a listed driver. The age or inexperienced driver excess amounts are shown below:

Vehicle type	Driver	Excess
Cars & Motorcycle	Listed	\$400
	Not Listed	\$1,400

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. In each of the examples we assume that you are not registered for GST.

Example 1 – Total loss - Comprehensive

Your car is insured for the agreed value and you have Comprehensive cover. The basic excess is \$600. Your car is damaged by hail and we assess the cost of repairs to your car will be \$11,300. Your car is 7 years old. Your certificate of insurance shows the agreed value of your car is \$13,300 which takes into consideration any accessories or modifications we have agreed to insure, the age, make, model, kilometres travelled and condition of your car. Your car is registered in NSW and is not under finance.

How much we pay		Additional information
Agreed Value	\$13,300	We decide your vehicle is a total loss because it is uneconomical, impractical or unsafe to repair. You are not entitled to the New vehicle after a total loss for vehicles less than 2 years old feature due to the age of your car.
Less excess	- \$600	As your car has been damaged by hail, the basic 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 RTA. This same process does not apply in other states.
Claim so far	\$12,550	We would normally pay this directly to you. If a credit provider has a financial interest in the car then we would pay your credit provider first and pay any balance to you.

Your insurance was paid by 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	\$12,310	We pay this amount to you. We are entitled to your vehicle salvage.

Once we settle the claim, all cover on the car stops, your policy is cancelled and there is no refund of the unused premium.

Example 2 – Lifetime new car replacement – GIO Platinum

Your car is insured for an agreed value of \$40,000. You are insured on GIO Platinum cover and have held that cover continuously from when you bought your car new. Your car is 4 years old and is damaged by fire. We decide it is a total loss. The cost to replace your car with a new one of the same make and model including all on road costs is \$45,000. Your car is registered in Victoria and is not under finance.

How much we pay	Additional information
Cost to replace your car with a new one of the same make and model \$45,000	We decide your car is a total loss because it is uneconomical, impractical or unsafe to repair. As you are the first registered owner and your car has been continuously insured under GIO Platinum cover from within 13 months of first being purchased, you are eligible for the Lifetime new car replacement feature. We are able to readily source a new car of the same make and model and we pay \$45,000 (which includes the on road costs) to the car dealership for a new car.
Less excess - \$600	As your car is damaged by fire, the basic excess applies. You pay your excess directly to us.
Towing costs + \$350	We arranged for your car to be towed to our closest assessment centre as the car was not able to be driven following the fire (see page 23 in the PDS for details on towing costs). The towing company have invoiced us. We will pay the towing company.
Total claim \$44,750	Your car salvage, including any unexpired registration and CTP insurance (except for NSW), becomes our property. If we ask, you must provide your written consent to help us collect any unexpired registration and CTP insurance. This does not affect how much we pay. Your policy will continue to its expiry date if we agree to insure you.

Example 3 – New vehicle after a total loss for vehicles less than 2 years old – Comprehensive

Your car is insured for an agreed value \$29,800 and you have Comprehensive cover. The basic excess is \$600. Your car is damaged by fire and we decide your car is a total loss. Your car is less than 2 years old. The cost to replace your car with a new one of the same make and model and series including all on road costs is \$31,300.

How much we pay		Additional information
Cost to replace your car with a new one of the same make and model	\$31,300	We decide your car is a total loss because it is uneconomical, impractical or unsafe to repair. As you are the first registered owner of your car and because the loss or damage occurred less than 2 years from original registration, you are eligible for the New vehicle after a total loss for vehicles less than 2 years old feature. We are able to readily source a new car of the same make and model and we pay \$31,300 (which includes the on road costs) to the car dealership for a new car.
Less excess	- \$600	As your car is damaged by fire, the basic excess applies. You pay your excess directly to us.
Towing costs	+ \$500	We arranged for your damaged car to be towed to our closest assessment centre as the car was not able to be driven following a fire(see page 23 in the PDS for details on towing costs). The towing company have invoiced us. We will pay the towing company.
Total claim	\$31,200	Your car salvage, including any unexpired registration and CTP insurance (except for NSW), becomes our property. If we ask, you must provide your written consent to help us collect any unexpired registration and CTP insurance. This does not affect how much we pay. Your policy will continue to its expiry date if we agree to insure you.

Example 4 – Partial damage - Comprehensive

Your car is insured for an agreed value \$12,700 and you have Comprehensive cover with the hire car option (see page 30 in the PDS for full details). The basic excess is \$600. 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 5 days to repair the car.

How much we pay		Additional information
Damage to car	\$6,000	We authorise and arrange the repairs for you and pay the repairer direct.
Less excess	- \$600	As your car was damaged in a storm, the basic excess applies.
Claim so far	\$5,400	
We have arranged for you to use a compact category hire car while your car is being repaired.		
Plus hire car costs	+ \$250	The hire car company has invoiced us. The hire cost is \$50 per day for 5 days. We pay the hire car company.
Total claim	\$5,650	

Example 5 – Partial damage – Caravan - Comprehensive

Your unregistered on-site caravan is insured for an agreed value \$12,000 which includes cover for your annexe of \$3,000. You have taken out the increased contents option (see page 39 in the PDS for full details) with a total sum insured of \$2,500. The basic excess is \$200. Your caravan is broken into, causing damage to the annexe and caravan door. Your television and DVD player have been stolen and you report this to the police. We assess the repairs to your annexe and caravan door will cost \$1,500 and it will cost us \$800 to replace the stolen items.

How much we pay		Additional information
Damage to annexe and caravan	\$1,500	We decide it is economical and safe to repair the damage to your annexe and caravan. We authorise and arrange the repairs for you and pay the repairer direct.
Replacement cost of caravan contents	+ \$800	We decide to pay you what it would cost us to repair or replace the items. It costs us \$800 to replace the television and DVD player. The replacement cost is less than the \$1,000 limit we pay for TVs and DVDs (see page 39 of the PDS) and we pay this amount to you.
Less excess	- \$200	As your claim is a result of your caravan being broken into, the basic excess applies. We will deduct this from the amount we pay to you unless you have already paid the excess to us for this claim.
Total claim	\$2,100	

Example 6 – GIO Platinum windscreen cover – GIO Platinum

Your car is insured for an agreed value \$20,000 and you have GIO Platinum cover. Your windscreen has been chipped by a small stone from a dirt road whilst you were driving and needs to be repaired. This is the only damage to your car. It will cost us \$150 to repair the windscreen.

How much we pay		Additional information
Repair of windscreen	\$150	The windscreen company has invoiced us. We will pay the windscreen company.
Less excess	\$0	As you qualify for the GIO Platinum windscreen cover additional feature (see page 18 in the PDS for full details) no excess applies to one claim only in the period of insurance.
Total claim	\$150	

Note: this example works in the same manner for customers that have Comprehensive cover with the Windscreen cover option (additional premium applies).

Example 7 – Legal liability – Third party property damage cover

Your car is insured for Third party property damage cover. The basic excess is \$600 and a vehicle excess of \$400 applies due to the type of car you own. 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.

How much we pay		Additional information
Damage to other car	\$35,000	We normally pay the cost of repairs directly to the third party claimant or their insurer.
Less excess	- \$1,000	As you are at fault, you pay both the basic excess and the vehicle excess. You pay this amount directly to us before we pay the third party.
Total claim	\$34,000	

Example 8 – Damage by uninsured drivers – Third party property damage cover

Your car is insured for market value and you have Third party property damage cover. Your car is damaged in a collision with another car and the driver of the other car is at fault for the accident and is uninsured. We assess the repairs to your car will cost \$7,000. We calculate the current market value of your car to be \$9,000

How much we pay		Additional information
Cost of repairs or market value (whichever is less) up to a limit of \$5,000	\$5,000	As the driver of the other car is uninsured and you have provided us with their name and address and registration details (and we agree you were not at fault), you are eligible for the Damage by uninsured drivers additional feature (see page 27 in the PDS for full details). Under that additional feature we pay for the cost of repairs up to \$5,000 or the market value of your car (whichever is less). As the cost of repairs and the market value of your car both exceed the \$5,000 limit, we pay \$5,000 directly to you.
Less excess	\$0	As the incident is not your fault (and we agree) and you have provided us with their name and address and registration details, no excess applies.
Total claim	\$5,000	

Example 9 – Stolen car – Fire, theft & third party property damage cover

Your car is insured for Fire, theft & third party property damage cover and is insured for the market value or \$8,000 whichever is less under this cover. The basic excess is \$600. The car is stolen and you report this to the police. Your car is not recovered. We calculate the market value of your car is \$8,500 which takes into consideration any accessories or modifications we have agreed to insure, the age, make, model, kilometres travelled and condition of your car before it was stolen. Your car is registered in NSW and is not under finance.

How much we pay		Additional information
Market value or \$8,000 whichever is less	\$8,000	We pay up to \$8,000 or the market value of your car (whichever is less). We calculate the current market value of your car to be \$8,500. Because the market value of your car exceeds the \$8,000 limit, we pay \$8,000 directly to you.
Less excess	- \$600	As your car was stolen, the basic 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	- \$100	We deduct the unused registration and CTP insurance that you are entitled to claim from the NSW RTA. This same process does not apply in other states.
Claim so far	\$7,300	

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' feature on page 22 in the PDS for full details).

Plus hire car costs	+ \$700	We settled your claim after 14 days. We pay the hire car company for 14 days car hire calculated at \$50 per day.
Total claim	\$8,000	

Once we settle the claim, all cover on the car stops, your policy is cancelled and there is no refund of the unused premium. Your car (if it is recovered) becomes our property and we are entitled to keep the proceeds of its sale.

How to contact us

- › For enquiries **13 10 10**
- › For claims **13 14 46 24 hours a day – every day**
- › Report any suspected insurance fraud to our hotline on **1300 881 725**
- › Visit one of our **branches** or **agencies**
- › Find us on the web at **gio.com.au**

Who we are

This insurance is issued by

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