

Caravan Insurance

Your guide to Premiums, Excesses,
Discounts and Claim Payments



Your guide to Premiums, Excesses, Discounts and Claim Payments

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 for the policy. You should read this Guide together with our GIO Caravan 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 1 July 2014 or renewal effective date on or after 28 July 2014.

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 and services tax (GST) and fire services levy (FSL) if applicable in your state or territory.

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 these 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;
- ▶ changes in government taxes and any state or territory duties or levies;
- ▶ our expenses of doing business;
- ▶ other commercial factors.

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

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

Factor	Comprehensive cover	Onsite cover	Trailer and horse float cover
Amount covered	✓	✓	✓
Address where your caravan, trailer or horse float is normally kept or located	✓	✓	✓
Your age and gender	✓	✓	✗
Whether your caravan is financed	✓	✓	✗
Any caravan modifications	✓	✗	✗
Any optional covers you have chosen	✓	✓	✗
Make and size of your caravan	✓	✗	✗
Year of manufacture of your caravan	✓	✗	✗
Voluntary excess	✓	✓	✓

Paying by the month

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

Premium discounts

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

The main discounts we offer are:

- ▶ no claim bonus;
- ▶ multi-policy discount.

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 premium. Minimum premiums may apply and any discount we give you will not reduce a premium below the minimum premium.

No claim bonus

A no claim bonus (NCB) is a discount that rewards you for your good claims history. This discount applies only to comprehensive caravan insurance. If you have an NCB, it is shown on your certificate of insurance.

Your NCB will increase or stay on the maximum on renewal if you do not make a claim. Your NCB will also increase or stay on the maximum on renewal if you make a claim and:

- ▶ we agree the accident was not your fault;
- ▶ you prove that another person was completely responsible; and
- ▶ you tell us the person's name and current address OR the registration number of their vehicle.

For all other claims your NCB level will be reduced.

The NCB levels are between 0% up to a maximum of 40%.

Multi-policy discount

A multi-policy discount rewards you with a discount for holding **3** 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 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. 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, and boat. The NSW GIO CTP Green Slip also counts as an eligible policy but the CTP Green Slip premium cannot be discounted.

Government taxes and charges

Caravan insurance policies are subject to stamp duty imposed by state and territory governments, GST and FSL if applicable.

Your excess

The different types of excesses are:

Standard excess

The standard excess is \$200.

Voluntary excess

You can choose a voluntary excess of either \$600 or \$1,000. Choosing a higher excess reduces your premium. If you choose a voluntary excess, this will replace the standard excess.

Age excess

The age excess is \$400.

Inexperienced driver excess

The inexperienced driver excess is \$400.

Off-road excess

The off-road excess is \$200.

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 Australian dollars and are GST inclusive;
- ▶ all examples assume that the policy holder is not registered for GST.

Example 1 – Total loss

Your caravan is insured for an amount covered of \$15,000. Your standard excess is \$200. Your caravan is damaged by hail and we assess the cost of repairs to your caravan will be \$11,300. The estimated salvage value of the caravan is \$4,200. As the combined repair and the salvage values exceed the amount covered, the caravan is determined by us to be a 'total loss'.

How much we pay		Additional information
Amount covered	\$15,000	We decide your caravan is a total loss when it is uneconomical, impractical or unsafe to repair. In this case we determine your caravan is a total loss as the cost of repairs together with the estimated salvage value exceeds the amount covered of your caravan.
Less excess	-\$200	As your caravan 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 RTA. This same process does not apply in other states.
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 caravan is damaged:		
Less outstanding premium	-\$240	The 4 x \$60 monthly payments become due when we decide your caravan is a total loss. We normally deduct this from the amount we pay you.
Total claim	\$14,410	We would normally pay this directly to you. If a credit provider has a financial interest in the caravan then we would normally pay your credit provider (up to your amount covered) what they are owed first and pay any balance to you.

Once we settle the claim, all cover on the caravan stops, your policy is cancelled and there is no refund of the unused premium. 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 caravan after a total loss

Your caravan is insured for an amount covered of \$29,800. Your voluntary excess is \$600. Your caravan is damaged by fire and we decide your caravan is a total loss. Your caravan is less than 2 years old and you qualify for the “New caravan after a total loss” additional feature (see page 13 in the PDS for full details). The cost to replace your caravan 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 caravan Including on road costs	\$31,300	We pay \$31,300 because your caravan is less than 2 years old and you qualify for the “New caravan after a total loss” additional feature (see page 13 in the PDS for full details). We pay this amount directly to the caravan dealership.
Less excess	- \$600	As your caravan was damaged by fire the voluntary excess applies. You pay your excess directly to us.
Towing costs	+\$500	We arranged for your caravan to be towed to your nearest repairer as the caravan was not able to be towed by your car (see page 15 in the PDS under “Towing and storage costs” additional feature for details on towing costs). The towing company have invoiced us. We will pay the towing company.
Total claim	\$31,200	

Your policy will continue to its expiry date. The salvage becomes our property and we are entitled to keep the proceeds of its sale. This does not affect how much we pay.

Example 3 – Partial damage

You have insured an unregistered on-site caravan for an amount covered of \$12,000. You have taken out the ‘Annexe cover’ option (see page 16 in the PDS for full details) for an amount covered of \$3,000. You have also taken out the ‘Increased contents cover’ option (see page 16 in the PDS for full details) with a total amount covered for your contents of \$2,500. Your standard excess is \$200.

Your caravan is broken into, causing damage to the annexe and caravan door, and, your television and DVD player have been stolen and you have reported 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 normally decide a caravan is repairable if the total cost of repairs together with the estimated salvage value of \$8,000 is less than the amount covered. We normally pay this amount directly to the repairer.
Replacement cost of caravan contents	+\$800	We decide if we will repair, replace or pay you what it would cost us to repair or replace the items. For this claim we have decided to pay you the amount it would have cost us to replace the stolen items.
Less excess	-\$200	As your claim is a result of your caravan being broken into, the standard 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 4 – Stolen caravan

Your caravan is insured for an amount covered of \$8,000 and is your usual home. You pay your premium annually. Your standard excess is \$200. The caravan is stolen and you report this to the police.

How much we pay		Additional information
Amount covered	\$8,000	Your caravan becomes a total loss if it is stolen and unrecovered after 14 days. We pay the amount covered on your certificate of insurance, less any applicable excess. We pay this directly to you.
Less excess	-\$200	As your caravan 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.
Claim so far	\$7,800	We would normally pay this directly to you. If a credit provider has a financial interest in the caravan then we would normally pay your credit provider (up to your amount covered) what they are owed first and pay any balance to you.
As your caravan has been stolen and it is your usual home, we will pay for temporary accommodation for up to 30 days. See the PDS on page 14 for full details.		
Plus temporary accommodation costs	+\$2,100	We settled your claim 14 days after you told us about your caravan being stolen. We pay your temporary accommodation costs for up to \$150 per day, for 14 days.
Total claim	\$9,900	

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

Example 5 – Legal liability

Your caravan is comprehensively insured which includes legal liability cover. Your standard excess is \$200. You reside permanently in your caravan. You invited a guest over for morning tea. When your guest was leaving, the steps leading out of the caravan collapsed, causing them to fall and injure their ankle and lower back. Your guest has made a claim for their out of pocket expenses and loss of wages for a 6 week period for the amount of \$14,800. We assess this claim and agree you are liable for these amounts.

How much we pay		Additional information
Total amount of liability	\$14,800	We assess the claim and agree you are liable. We pay this amount to the injured party.
Less excess	- \$200	You pay your standard excess to us before we settle the claim.
Total claim	\$14,600	

