

SGIO Motor Insurance Premium, Excess & Discounts Guide WA

This SGIO Motor Insurance Premium, Excess and Discounts Guide should be read with the SGIO Motor Insurance Product Disclosure Statement and Policy Booklet (PDS) Edition 1, dated 3 March 2009.

It applies to policies issued with a vehicle kept in Western Australia with a commencement date of 24 November 2013 or a renewal effective date on or after 6 January 2014.*

This guide provides further information about the cost of your insurance and excesses you may need to pay if you make a claim.

* Call us on 133 233 for information about policies issued with a vehicle kept outside Western Australia.

How we work out your premium

Your insurance premium is based on the likelihood of a claim being made on your policy in the future. There are a number of factors we take into account when determining your premium. We calculate your premium by combining the:

- ▶ Pricing factors
- ▶ No Claim Bonus
- ▶ Policy options
- ▶ Loyalty Discount
- ▶ Choice of excess, and
- ▶ Government charges.

Pricing Factors

The premium you pay for your insurance reflects the likelihood of you making a claim together with the potential value of any claim. So, if you have a lower chance of making a claim then you will generally pay a lower premium compared to someone who has a higher chance of making a claim.

Our experience shows there are a number of factors that are a good indicator of the possibility of a claim being made. We call these pricing factors.

For Motor Insurance policies the following table describes the pricing factors we may take into account to determine your premium.

Pricing Factors	Comprehensive Motor	Third Party Fire & Theft	Third Party Property Damage
The address where your vehicle is kept	✓	✓	✓
The age and gender of owners and drivers of your vehicle	✓	✓	✓
Your vehicle	✓	✓	✓
If you have finance held against your vehicle, and the type of finance held	✓	×	×
The amount your vehicle is insured for as shown on your Certificate of Insurance	✓	×	×
If you pay your premium by monthly instalments	✓	✓	✓
The way you use your vehicle, for example, private or business use	✓	✓	✓

No Claim Bonus

We give you a No Claim Bonus which ranges from 0% to 65% to reward you for your good claims history. Once you reach 65% No Claim Bonus you will also receive associated privileges.

A different No Claim Bonus may apply to each policy that you hold with us. When you first take out each policy, we calculate your policy's No Claim Bonus level based on:

- ▶ claims history of you and any other policyholders, and
- ▶ number of years you and any other policyholders have been driving for.

If the policy is in a company name, the driving and claims history of each driver will be used to determine the policy's No Claim Bonus.

Your current Certificate of Insurance will show any No Claim Bonus and any benefits that have been applied to your policy. The way in which your policy's No Claim Bonus is applied to your premium is set out in the 'How we calculate your Motor premium' section of this guide on page 5.

The No Claim Bonus levels are:

65%	<p>Claim Free Privilege Life status is achieved once you have held Claim Free Privilege Plus status for 3 claim free years. Claim Free Privilege Life gives you No Claim Bonus Protection For Life.</p> <p>Claim Free Privilege Plus status is achieved once you have held Claim Free Privilege status for 1 claim free year. Claim Free Privilege Plus gives you free No Claim Bonus Protection.</p> <p>Claim Free Privilege status is achieved once you have held a 60% No Claim Bonus for 1 claim free year. Claim Free Privilege rewards you with our highest level of 65% and the option to pay to add No Claim Bonus Protection.</p>
60%	When you first take out a policy you may qualify for either:
55%	▶ a 60% No Claim Bonus – our highest level available for new policies which also comes with the option to pay to add No Claim Bonus Protection, or
45%	▶ a 0–55% No Claim Bonus.
35%	
25%	You move up one discount level after each claim free year until you reach our maximum 65% No Claim Bonus.
0%	

How does No Claim Bonus work?

No Claim Bonus is calculated on each policy, unless your claims history does not entitle you to a No Claim Bonus. Each year at renewal, your policy's No Claim Bonus is recalculated. For each claim free year, your No Claim Bonus will move up one level, until you achieve our maximum 65% No Claim Bonus.

For each non-recoverable claim made in a policy year, your No Claim Bonus will move down one level unless:

- ▶ you have chosen to pay to add No Claim Bonus Protection to your policy and it is the first non-recoverable claim in that policy year,
- ▶ you have achieved Claim Free Privilege Plus status and it is the first non-recoverable claim in that policy year, or
- ▶ you have achieved Claim Free Privilege Life status.

What is a claim free year?

A claim free year is a policy year in which no non-recoverable claims are made.

What is a non-recoverable claim?

A non-recoverable claim is a claim lodged as a result of:

- ▶ a collision where you are at-fault or we are otherwise unable to attempt recovery of our costs from another party, or
- ▶ a flood, fire, storm, theft or attempted theft or a malicious act.

A claim lodged only for windscreen, sunroof and window glass damage is not considered a non-recoverable claim.

What happens if I make a claim without No Claim Bonus Protection?

For each non-recoverable claim made in a policy year without No Claim Bonus Protection, you move down one No Claim Bonus level. For example:

- ▶ if you have 55% No Claim Bonus and made one non-recoverable claim, you would move down to 45% No Claim Bonus, and if you made two non-recoverable claims, you would move down to 35% No Claim Bonus,
- ▶ if you have 65% No Claim Bonus with Claim Free Privilege status and made one non-recoverable claim, you would move down to 60% No Claim Bonus and if you made two non-recoverable claims, you would move down to 55% No Claim Bonus.

What is the No Claim Bonus Protection option?

If you have 60% No Claim Bonus or 65% No Claim Bonus with Claim Free Privilege status, you are eligible to pay an additional premium to protect your policy's No Claim Bonus level. This means your No Claim Bonus will not move down a level where you make one non-recoverable claim in a policy year. However, you will move down a No Claim Bonus level for each additional non-recoverable claim you make.

What is free No Claim Bonus Protection?

If you have achieved Claim Free Privilege Plus status, you are rewarded with free No Claim Bonus Protection. This means you will retain your Claim Free Privilege Plus status and 65% No Claim Bonus where you make one non-recoverable claim in a policy year. However, if you make two non-recoverable claims you will move down to 60% No Claim Bonus and will continue moving down a further level for each additional non-recoverable claim.

What is Free No Claim Bonus Protection For Life?

If you have achieved Claim Free Privilege Life status, your policy's 65% No Claim Bonus is locked in for the life of the policy. This means your 65% No Claim Bonus will not be affected regardless of how many claims you make and you retain your Claim Free Privilege Life status for the life of the policy.

Policy options

If you have Comprehensive Insurance you may add the following policy options to your Policy by paying any additional premium that applies:

- ▶ Hire car option
- ▶ Windscreen option

Comprehensive Motor Vehicle

Hire car option	\$55 (excl Discounts and Government charges)
Windscreen option	\$55 (excl Discounts and Government charges)

Comprehensive Motorcycle

Hire car option	\$50 (excl Discounts and Government charges)
Windscreen option	\$50 (excl Discounts and Government charges)

Cost of choosing to pay by the month

If you choose to pay your premium by monthly instalments you pay more than if you pay annually. The extra premium you pay will be shown on your current Certificate of Insurance.

Loyalty Discount

Your Loyalty Discount is based on how long you have had a relationship with us and how many eligible policies you have. The longer you maintain your continuous relationship with us and the more policies you hold, the higher the discount you could receive. This discount is determined for each individual customer and applied across all your eligible policies.

The way in which your Loyalty Discount is applied to your premium is set out in the 'How we calculate your Motor premium' section of this guide on page 5.

Refer to the following Loyalty Discount table to see what discount you will be entitled to.

Years of Relationship	25+	12.5%	15%	17.5%	20%	22.5%	25%
	10-24	10%	12.5%	15%	17.5%	20%	22.5%
	5-9	7.5%	10%	12.5%	15%	17.5%	20%
	3-4	5%	7.5%	10%	12.5%	15%	17.5%
	0-2	0%	5%	7.5%	10%	12.5%	15%
		1	2	3-4	5-7	8-9	10+
	Policy Count						

If you have held a continuous relationship with us for 25+ years your Loyalty Discount will not decrease, even if you reduce the number of eligible policies you hold with us.

To receive a Loyalty Discount, the eligible policies must:

- ▶ be current; and
- ▶ have at least one common insured named on each policy.

On existing policies the discount applies from the date of the next renewal after you qualify.

On renewal your Certificate of Insurance will show a list of what policies contributed to your Loyalty Discount.

The following is a list of the policies that:

- ▶ contribute to your policy count
- ▶ are eligible to receive the Loyalty Discount.

Policies	Policy Count	Discount applied
Motor		
Comprehensive	✓	✓
Comprehensive Plus	✓	✓
Third Party Fire and Theft	✓	✓
Third Party Property Damage	✓	✓
Veteran, Vintage and Classic Vehicle		
Home		
Buildings	✓	✓
Contents	✓	✓
Buildings and Contents*	✓	✓
Landlord		
Buildings	✓	✓
Contents	✓	✓
Buildings and Contents*	✓	✓
On-site Caravan		
Touring Caravan		
Boat		
Trailer		
Retail Business Insurance		
	✓	✗

* Policy Count equals 2.

Excess

An excess is an amount you pay when you lodge a claim. The amount and types of excess payable are shown on your current Certificate of Insurance. You may have to pay more than one type of excess depending on your circumstances.

There are three types of excess

- ▶ Basic
- ▶ Age
- ▶ Special

Basic excess

If you make any type of claim you must pay any basic excess that applies. We determine the basic excess that will apply at the time a policy is taken out based upon the type of insurance you have chosen and whether you are insuring a motor vehicle or motorcycle.

Insurance Type	WA
Motor Vehicle Comprehensive	\$450
Motor Vehicle Third Party Fire & Theft	\$450
Motor Vehicle Third Party Property Damage	\$450
Motorcycle Comprehensive	\$450
Motorcycle Third Party Property Damage	\$450

In some circumstances, factors such as:

- ▶ the value of the vehicle you are insuring, and
- ▶ the age of the drivers of your vehicle

will result in a higher basic excess amount than shown above.

In these circumstances you will not be able to choose any other basic excess amount.

Your basic excess amount will be shown on your current Certificate of Insurance.

Choice of Excess for Comprehensive Motor Vehicle Insurance

You may be entitled to vary your basic excess amount. If you choose a higher basic excess on your policy, you can decrease your premium.

You may also choose to lower or remove your basic excess by paying an additional premium.

What are the choices of basic excess for Comprehensive Motor Vehicle Insurance?

You may choose one of the following excess amounts as your basic excess:

WA \$0 \$300 \$450 \$800 \$1,000 \$1,500 \$2,000

Age excess

This excess is paid in addition to any basic excess and applies to:

- ▶ any driver under 25 years of age, or
- ▶ any driver 25 years of age or over with no more than 2 years driving experience after obtaining a provisional or probationary licence

but does not apply to:

- ▶ a learner driver who was accompanied by a fully licensed driver aged 25 years of age or more.

The following three tables explain what age excess may apply at the time of a claim:

If the driver of your motor vehicle or motorcycle is under 25 years of age and you have not named an under 25 year old driver on your policy:

Insurance Type	Age Excess
	WA
Motor Vehicle Comprehensive	\$1,200
Motor Vehicle Third Party Fire & Theft	\$1,200
Motor Vehicle Third Party Property Damage	\$1,200
Motorcycle Comprehensive	\$1,200
Motorcycle Third Party Property Damage	\$1,200

If you have named an under 25 year old as a driver on your policy:

Insurance Type	Age Excess
Motor Insurance	16-20 years \$400
Motor Insurance	21-24 years \$300

If the driver of your vehicle is 25 years of age or over with no more than 2 years driving experience after obtaining a provisional or probationary licence:

Insurance Type	WA
Motor Insurance	\$400

You cannot pay an additional premium to remove an age excess.

Special excess

We may decide to apply a special excess to an individual owner or driver, or in relation to a specific incident, taking into account such factors as:

- ▶ the type of vehicle
- ▶ owner or driver incident, claims history
- ▶ If you or any driver has had a licence cancelled or suspended.

The amount of the special excess will be shown on your current Certificate of Insurance and generally ranges from \$200 to \$2,500.

A special excess is payable in addition to your basic or age excess.

You cannot pay an additional premium to remove a special excess.

When an excess does not apply

There are a number of instances in which you will not be required to pay an excess when we pay your claim:

Insurance Type	If you make a claim for	Then you will NOT have to pay an
Comprehensive Motor	Theft or attempted theft	Age excess
Comprehensive Motor	Windscreen, sunroof or window glass damage only	Age or special excess
Comprehensive Motor	Storm, flood or fire damage	Age or special excess
Comprehensive Motor	Vandalism or a malicious act	Age or special excess
Comprehensive Motor	Damage to the vehicle while it is parked	Age or special excess
Comprehensive Motor	An incident that we agree was not in any way the fault of you, the driver of, or a passenger in your vehicle and <ul style="list-style-type: none"> ▶ you can provide the name and residential address of a person(s) we agree is at fault ▶ the amount of the claim is more than any basic excess 	Basic, age or special excess
Comprehensive Motor	Windscreen, sunroof or window glass damage only	Basic, age or special excess (only when you have chosen the Windscreen option)
Third Party Fire & Theft	Fire	Age or special excess
Third Party Fire & Theft	Theft	Age excess
Third Party Fire & Theft	Insured Motorist Damage	Age, basic or special excess
Third Party Fire & Theft	Uninsured Motorist Damage	Age, basic or special excess
Third Party Property Damage	Uninsured Motorist Damage	Age, basic or special excess

Government charges

Motor insurance policies are subject to stamp duty imposed by state and territory governments in addition to GST.

Government charges	Motor Insurance
GST	10%
Stamp Duty	11%

How we calculate your Motor premium

Step 1

First, we combine the pricing factors.

Step 2

Once this amount is calculated we work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 1.

Step 3

Then, we add the cost of any No Claim Bonus protection you have chosen.

Step 4

If you have chosen a higher basic excess to reduce your premium, this is then applied. If you have chosen to lower or remove your basic excess we will add the additional premium.

Step 5

Then, we add the cost of any optional covers you may have chosen.

Step 6

We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from Step 5.

Step 7

To the amount in Step 6, we add applicable government charges to work out the premium you need to pay.

If there is anything you don't understand about this SGIO Motor Insurance Premium, Excess, Discounts & Helpline Benefits Guide, please call us on 133 233 or visit your local office.