

Apia Caravan Insurance

Your guide to Premiums, Excesses,
Discounts and Claim Payments

Rewarding experience



Your guide to Premiums, Excesses, Discounts and Claim Payments

The Premiums, Excesses, Discounts and Claim Payments Guide (**Guide**) is designed to provide you with additional information about how we calculate premiums and determine excesses and discounts and pay claims under this policy. You should read this PED Guide together with our Caravan Insurance Product Disclosure Statement (**PDS**) dated 7 April 2016.

This guide is relevant to you if you purchased your policy on or after 21 May 2016 or your policy's renewal date is on or after 27 June 2016.

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 and other factors related to our cost of doing business. The premium you pay includes any discounts we give you, stamp duty and goods & services tax (GST). Your certificate will show you how much you have to pay.

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;
- 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 you paid last time. As such we may limit movements up or down.

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

Factor	Australia wide cover	Onsite cover	Trailer & Animal transport float
Address where caravan is kept	✓	✓	✓
Age of main driver	✓	X	✓
Amounts covered	✓	✓	✓
The amount of your excess(es)	✓	✓	✓
Year of caravan manufacture	✓	✓	✓
Safety equipment	✓	✓	✓
The optional covers you have chosen	✓	✓	X

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 on Australia wide cover;
- Multi-policy discount. We might reward you with a discount for having more than one policy with us. Some policies are not eligible for a discount and whether or not we give you a discount can also depend on the combination of products you hold with us. To find out more about the multi-policy discount, please phone us on 13 50 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 (such as a discount for quoting for and buying your new policy on-line), 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 Australia wide caravan insurance. If you have an NCB, it is shown on your certificate.

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

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

Your no claim bonus will be reduced for all other claims. Your premium may be subject to a loading if your claims history is below a Rating 6.

No-claim bonus	Discount %
Rating1	65%
Rating2	60%
Rating3	55%
Rating4	45%
Rating5	25%
Rating6	0%

Government taxes and charges

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

Excesses

The excesses applying to your policy are shown on your certificate.

The different types of excesses are:

Standard excess

The standard excess is \$200.

You may be able to choose:

- to vary the standard excess within the range we offer; and
- a different standard excess for your caravan and optional contents and annexe covers.

Choosing a lower excess amount will increase your premium.

Inexperienced driver excess

The inexperienced driver excess is:

- \$100 for drivers towing your caravan who are over the age of 25 and have been licensed for less than two years;
- \$300 for drivers towing your caravan who are aged between 22 and 25 and have been licensed less than two years;
- \$150 for drivers towing your caravan who are aged between 22 and 25 and have been licensed for more than two years;
- \$600 for drivers towing your caravan who are under the age of 22 and have been licensed for less than two years;
- \$300 for drivers towing your caravan who are under the age of 22 and have been licensed for more than two years.

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. Apia always determines real claim payments on an individual basis, after we have assessed each claim. You should read the PDS and your certificate 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 \$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.

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 for your caravan.
Less excess	-\$200	Your caravan has been damaged by hail and 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.
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 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 \$29,800. Your standard excess is \$200. 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 when less than 2 years old” additional feature (see page 22 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 when less than 2 years old” additional feature (see page 22 in the PDS for full details). We pay this amount directly to the caravan dealership.
Less excess	-\$200	Your caravan was damaged by fire and the standard 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 25 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	\$31,600	

Once we settle the claim, all cover on the caravan stops, your policy is cancelled and there is no refund of premium. 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' optional cover (see page 30 in the PDS for full details) and your amount covered is the lesser of \$3,000 or market value. You have also taken out the 'Contents cover' option (see page 31 in the PDS for full details) and your contents amount covered is \$2,500. Your standard excess for all covers is \$200.

Your caravan is broken into, causing damage to the annexe and caravan door, and, your television and DVD player have been stolen. You have reported the damage and theft 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 repair your caravan to its prior condition, standard and specification it was before the incident. We normally pay the repair costs 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 for your annexe, caravan and contents was caused by the one incident, you only pay one excess (being the highest applicable excess). 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 - Legal liability

Your caravan is insured for market value with on-site only 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 legally liable for the injury suffered by your guest.

How much we pay		Additional information
Total amount of your liability	\$14,800	We assess the claim and agree you are liable for the injury and the amounts claimed. 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	