

# Apia Motorcycle Insurance

Your guide to Premiums, Excesses, Discounts and Claim Payments

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Rewarding experience



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## 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 Motorcycle 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 if 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, goods & services tax (GST) and if applicable other government charges. 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
Address where motorcycle is kept overnight
Age of main rider
Amount covered
Type of motorcycle

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## Premium discounts

Discounts are also a 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 comprehensive cover;
- 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 (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.

### 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 motorcycle insurance. If you have an NCB, it is shown on your certificate.

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 and the registration number of their vehicle.

Your no claim bonus will be reduced for all other claims if your no claim bonus is not protected.

No-claim bonus	Discount %
Rating P - Protected for Life	65%
Rating 1	65%
Rating 2	60%
Rating 3	55%
Rating 4	45%
Rating 5	25%
Rating 6	0%

## Rating P -Protected for Life No-claim bonus

If your No-claim bonus is protected it will be shown on your certificate. Apia will only provide protection for a Rating 1 No-claim bonus.

You can obtain a Rating P – Protected for Life No-claim bonus:

- if you are an existing Apia customer on Rating 1 and you have no claims that affect your No-claim bonus for three consecutive years; or
- if you are a new customer who currently holds a protected Rating 1 No-claim bonus with your previous insurer (including another Suncorp Group brand).

The amount we reduce your No-claim bonus for each claim that affects your No-claim bonus is set out below:

<b>If your No-claim bonus or Rating number is:</b>	<b>For 1 claim, we reduce your No-claim bonus on renewal to:</b>	<b>For 2 claims, we reduce your No-claim bonus on renewal to:</b>
65% or Rating P – Protected for Life	No-claim bonus is not reduced	No-claim bonus is not reduced
65 % or rating 1	60% or rating 2	55% or rating 3
60% or rating 2	55% or rating 3	45% or rating 4
55% or rating 3	45% or rating 4	25% or rating 5
45% or rating 4	25% or rating 5	Nil or rating 6
25% or rating 5	Nil or rating 6	16% loading or rating 7*
Nil or rating 6	16% loading or rating 7*	34% loading or rating 8*

\* This No-Claim Bonus or Rating Number means a loading will be applied to your premium.

## 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.

## Government taxes and charges

Motorcycle 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 \$100.

### Rider under 25 excess

This applies if a rider under **25** years of age was riding, using or in charge of your motorcycle at the time of the incident. This excess is in addition to any other excess that applies. The rider under 25 excess is \$1,500.

## 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 these claim payment examples:

- all amounts are shown in Australian dollars and are GST inclusive;
- all examples (including excesses) are based on the insured living in Queensland;
- all examples assume that you are not registered for GST and that your motorcycle is not under finance.

### Example 1 - Total loss

Your 4 year old motorcycle is comprehensively insured for an amount covered of \$13,000. Your standard excess is \$100. Your motorcycle and your helmet, jacket and gloves are damaged in a single vehicle accident. We assess the cost of repairs to your motorcycle will be \$13,500 and the replacement value of your riding apparel to be \$1,500. Based on what it would cost us to repair your motorcycle, we determine it is a total loss. As your motorcycle is more than 2 years old, the 'New motorcycle after a total loss for motorcycles less than 2 years old' additional feature does not apply to you.

How much we pay		Additional information
Amount covered	\$13,000	When your motorcycle is damaged accidentally, we decide that it is a total loss when it is uneconomical, impractical or unsafe to repair.
Riding apparel cover	\$1,000	Although the replacement value of your riding apparel is \$1,500, the limit for this additional feature is \$1,000.
Less excess	-\$100	As your motorcycle has been damaged in a single vehicle accident 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.
Where applicable, less any registration and compulsory third party (CTP) refund	-\$0	For Queensland registered motorcycles, the unused CTP or registration is not deducted from your settlement. However, if your motorcycle was registered in New South Wales, Apia would retain the unexpired portion of your motorcycle's registration and Compulsory Third Party (CTP) insurance - and you'd be free to collect those amounts from the relevant authority or insurer.
Claim so far	\$13,900	We would normally pay this directly to you. If a credit provider has a financial interest in your motorcycle then we would normally pay your credit provider what they are owed first (up to the amount covered) and pay any balance to you.
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 motorcycle is damaged:		
Less outstanding premium	-\$240	The 4 x \$60 monthly repayments become due when we decide your motorcycle is a total loss. We normally deduct this from the amount we pay to you.
<b>Total claim</b>	<b>\$13,360</b>	

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

Your motorcycle is comprehensively insured for an amount covered of \$29,800. Your standard excess is \$100. Your motorcycle is completely damaged by fire and we determine it is a total loss. Your motorcycle is less than 2 years old and you qualify for the 'New motorcycle after a total loss for motorcycles less than 2 years old' additional feature (see page 18 in the PDS for details). The cost to replace your motorcycle 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 motorcycle including on road costs	\$31,300	We pay \$31,300 because your motorcycle is less than 2 years and you qualify for the 'New motorcycle after a total loss for motorcycles less than 2 years old' additional feature (see page 18 in the PDS for details). We pay this amount directly to the motorcycle dealership.
Less excess	-\$100	As your motorcycle has been damaged by fire the standard excess applies. You pay your excess directly to us.
Towing costs	+\$500	We arranged for your motorcycle to be towed to our closest assessment centre as it was not able to be driven (see page 18 in the PDS for details on towing costs). The towing company has invoiced us. We will pay the towing company.
<b>Total claim</b>	<b>\$31,700</b>	

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

### Example 3 - Partial loss

You have comprehensively insured your motorcycle for an amount covered of \$12,000. You have standard excess of \$100. Whilst parked, your motorcycle is damaged by an unidentified person or driver. You report this to the police. We assess the repairs to your motorcycle will cost \$1,500.

How much we pay		Additional information
Damage to motorcycle	\$1,500	In this case the low cost of repairs means we decide to repair your motorcycle.
Less excess	-\$100	As your claim is a result of your parked motorcycle being damaged by an unidentified person or driver, the standard excess applies. You pay the excess directly to us.
<b>Total claim</b>	<b>\$1,400</b>	We normally pay this directly to the repairer.

#### Example 4 - Legal liability

Your motorcycle is insured for Third Party Property Damage cover. Your standard excess is \$100. You are involved in an accident causing damage to another motorcycle. We determine that you are at fault and liable to pay the cost of repairs for the damage caused to the other motorcycle. The cost of repairs to the other motorcycle is \$4,000. As you have third party property damage cover, you are not insured for the damage to your motorcycle.

How much we pay		Additional information
Damage to the other motorcycle	\$4,000	We normally pay the cost of repairs directly to the third party claimant or their insurer.
Less excess	-\$100	As you are at fault the standard excess applies. You pay this amount directly to us before we pay the third party.
<b>Total claim</b>	<b>\$3,900</b>	

#### Example 5 - Stolen Motorcycle

You have comprehensively insured your motorcycle for an amount covered of \$6,000. Your standard excess is \$100. The motorcycle is stolen and you report this to the police and to us. Your motorcycle is not found within 14 days of it being stolen and we are satisfied that your claim is in order. We determine it is a total loss.

How much we pay		Additional information
Amount covered	\$6,000	Your motorcycle is a total loss because it is stolen and unrecovered after 14 days.
Less excess	-\$100	As your motorcycle 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.
Where applicable, less any registration and compulsory third party (CTP) refund	-\$0	For Queensland registered motorcycles, the unused CTP or registration is not deducted from your settlement. However, if your motorcycle was registered in New South Wales, Apia would retain the unexpired portion of your motorcycle's registration and Compulsory Third Party (CTP) insurance - and you'd be free to collect those amounts from the relevant authority or insurer.
Claim so far	\$5,600	We would normally pay this directly to you. If a credit provider has a financial interest in the motorcycle then we would normally pay your credit provider what they are owed first (up to your amount covered) and pay any balance to you.
As your motorcycle was stolen and not recovered we have arranged for you to use a 'compact' category hire car (available for up to 21 days - see 'Hire car after theft' additional feature on page 16 in the PDS for details).		
Plus hire car costs	\$700	We settled your claim 14 days after you told us about your motorcycle being stolen. We pay the hire car provider for 14 days car hire calculated at \$50 per day. The hire car provider has invoiced us. We will pay the hire car provider.
<b>Total claim</b>	<b>\$6,600</b>	

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