

Apia Car Advantage Insurance

Your guide to Premiums, Excesses,
Discounts and Claim Payments

Rewarding experience



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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 Car Advantage Insurance Product Disclosure Statement (**PDS**) dated 7 April 2016.

This guide is relevant to you if you purchased your policy, or your policy's renewal effective date is on or after, 04/09/2017.

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, as well as any applicable stamp duty, goods and services tax (GST), charge and levy. 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, including the level of cover you choose. 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	Comprehensive cover	Fire, Theft & Third Party Property Damage cover	Third Party Property Damage cover
Age of drivers	✓	✓	✓
Gender of drivers	✓	✓	✓
Type of car	✓	✓	✓
Age of car	✓	✓	✓
Value of car	✓	X	X
Non-standard accessories or modifications	✓	✓	✓
Trailer cover	✓	X	X
Address where the car is kept overnight	✓	✓	✓
How the car is garaged	✓	✓	✓
What the car is used for	✓	X	X
Whether the car is under finance	✓	✓	✓
Any discounts you are eligible for	✓	✓	✓
Prior insurer	✓	✓	✓
Whether you select a variable excess	✓	✓	✓
The optional covers selected	✓	X	X
Employment status	✓	✓	✓

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.

The main discounts we offer are:

- No claim bonus (comprehensive cover only);
- Multi-policy discount;
- Drive less pay less.

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. Discounts do not apply to the Apia Roadside Assist option, and may not apply to other optional covers.

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 car 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).

How your No-claim bonus is impacted after claims

You will keep your No-claim bonus if:

- you are claiming for windscreen or window glass damage only; or
- your No-claim bonus is protected; or
- we agree:
 - the accident was not your fault; and
 - you can prove that another person was completely responsible; and
 - you tell us the persons' full name, current address and the registration number of their car.

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

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

If your No-claim bonus or Rating number is:	For 1 claim, we reduce your No-claim bonus on renewal to:	For 2 claims, we reduce your No-claim bonus on renewal to:
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.

Drive Less Pay Less discount

Comprehensive customers who drive less than 20,000 kilometres per year could receive a discount on their premium.

Government taxes and charges

After we have calculated the amount to cover your car insurance policy any applicable stamp duty, GST, charge and levy are then applied.

Your excess

An excess is the amount you have to pay for each incident when you make a claim.

The amount and types of excesses that apply to your policy are shown on your certificate. Depending on the circumstances, you might have to pay more than one type of excess when you make a claim.

The different types of excesses are:

Standard excess

Your standard excess depends on the state or territory where your car is kept, the type of car you are insuring, the type of cover you have chosen and on whether we have imposed an additional excess.

Chosen variable excess

You can choose a chosen variable excess of either \$600 or \$1,000. Choosing a higher variable excess reduces your premium. If you have chosen a variable excess, this will apply to all claims in addition to your standard excess.

Drivers under 25 excess

This applies if a driver under 25 years of age was driving, using or in charge of your car at the time of the incident. This excess is in addition to any other excess that applies. The driver 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 the claim payment examples:

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

Example 1 - Total loss

Your car is 5 years old and is comprehensively insured for an amount covered of \$14,000. Your standard excess is \$600 and you have not chosen a chosen variable excess. Your car is damaged by hail and we assess the cost of repairs to your car will be \$11,300. The estimated salvage value of the car is \$4,200. We decide it is uneconomical to repair your car and determine it to be a 'total loss'.

How much we pay		Additional information
Amount covered	\$14,000	When your car is damaged accidentally, we decide that it is a total loss when it is uneconomical, impractical or unsafe to repair.
Less excess	-\$600	As your car 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.
Where applicable, less any registration and compulsory third party (CTP) refund	-\$0	For Queensland registered cars, the unused CTP or registration is not deducted from your settlement. However, if your car was registered in New South Wales, Apia would retain the unexpired portion of your car's registration and Compulsory Third Party (CTP) insurance - and you'd be free to collect those amounts from the relevant authority or insurer.
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 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	\$13,160	We would normally pay this directly to you. If a credit provider has a financial interest in the car then we would normally pay your credit provider what they are owed first (up to your amount covered) and pay any balance to you.

Once we settle the claim, all cover on the car stops, and your policy is cancelled. 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 car after a total loss for cars less than 2 years old

Your car is comprehensively insured for an amount covered of \$29,800. Your standard excess is \$600 and you have not chosen a chosen variable excess. Your car is damaged by fire and we decide your car is a total loss. Your car is less than 2 years old and you qualify for the 'New car after a total loss for cars less than 2 years old' additional feature (see page 22 in the PDS for full details). The cost to replace your car 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 car including on road costs	\$31,300	We pay \$31,300 because your car is less than 2 years and you qualify for the 'New car after a total loss for cars less than 2 years old' additional feature (see page 22 in the PDS for full details). We pay this amount directly to the car dealership.
Less excess	-\$600	As your car has been damaged by fire the standard excess applies. You pay your excess directly to us.
Towing costs	+\$500	We arranged for your car to be towed to a nominated location as the car was not able to be driven (see page 28 in the PDS for details on towing costs). The towing company has invoiced us. We will pay the towing company.
Total claim	\$31,200	

Your policy will continue to its expiry date if we agree to continue 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 - New car replacement after theft for cars under 10 years old

Your car is comprehensively insured for an amount covered of \$30,000. Your standard excess is \$600 and you have not selected a chosen variable excess. Your car is stolen and not recovered within 14 days. Your car is 6 years old and you are the first registered owner of your car. You qualify for the 'New car replacement after theft (less than 10 years old) additional feature (see page 21 in the PDS for full details). The cost to replace your car with a new one of a similar make and model, including all on road costs, is \$35,000.

How much we pay		Additional information
Cost to replace your car including on road costs	\$35,000	We pay \$35,000 because you qualify for the 'New car replacement after theft (less than 10 years old) additional feature (see page 21 in the PDS for full details). Due to the age of your car we are unable to replace your car with the same make and model, however we provide you with a new car that in our opinion is a similar make and model to your car. We pay this amount directly to the car dealership.
Less excess	-\$600	Your standard excess applies.
Total claim	\$34,400	

Your policy will continue to its expiry date if we agree to continue 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 4 - Partial loss

Your car is insured for comprehensive cover for an amount covered of \$12,700 and you have the 'Hire car after an event for unlimited days' optional cover (see page 26 in the PDS for full details). Your standard excess is \$600 and you have not chosen a chosen variable excess. 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 7 days to repair the car.

How much we pay		Additional information
Damage to car	\$6,000	We decide your car is repairable.
Less excess	-\$600	Your standard excess applies. We usually ask you to pay us your excess when you lodge your claim, otherwise to pay the repairer when you pick up your car after it has been repaired.
Claim so far	\$5,350	We normally pay this directly to the repairer
We have arranged for you to use a 'compact' category hire car whilst your car is being repaired.		
Plus hire car costs	+\$350	The hire car company has invoiced us. The cost is \$50 per day for 7 days. We will pay the hire car company.
Total claim	\$5,750	

Example 5 - Windscreen and window glass cover

Your car is insured with the 'Windscreen and window glass cover' optional cover included (see page 37 in the PDS for full details). Your standard excess is \$600, however your policy has one excess free windscreen claim in the period of insurance. Your windscreen has been damaged by a stone from loose gravel whilst you were driving and needs to be replaced. It will cost \$800 to replace the windscreen.

How much we pay		Additional information
Replacement windscreen	\$800	The windscreen company has invoiced us. We will pay the windscreen company.
Less excess	-\$0	As this claim is your first windscreen claim in the period of insurance, no excess applies.
Total claim	\$800	

Example 6 - Legal liability

Your car is insured for Third Party Property Damage cover. Your standard excess is \$600, and your age excess is \$1,500. Your vehicle is involved in an accident causing damage to another car. The driver of your car at the time of the accident was 23 years old. We determine that your driver was at fault and liable to pay the cost of repair for the damage caused to the other car. The cost of repairs to the other car is \$35,000. As you have Third Party Property Damage cover, you are not insured for the damage to your own car.

How much we pay		Additional information
Damage to the other car	\$35,000	We normally pay the cost of repairs directly to the third party claimant or their insurer.
Less excess	-\$2,100	As your driver was at fault the standard excess applies along with Under 25 driver excess.
Total claim	\$32,900	

Example 7 - Stolen car

Your car is covered for Fire, Theft & Third Party Property Damage cover. It is insured for \$8,000 or market value whichever is the less (includes the value of any accessories and modifications). We determine the market value of your car is \$12,000. Your standard excess is \$600. The car is stolen and you report this to the police. Your car is not found within 14 days of being stolen. We determine it is a total loss.

How much we pay		Additional information
Amount covered	\$8,000	You have an amount covered of \$8,000 or market value whichever is less (includes the value of any accessories and modifications) and this is shown on your certificate. We determine the market value of your car is \$12,000. We pay you the lesser of market value or \$8,000.
Less excess	-\$600	As your car 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 cars, the unused CTP or registration is not deducted from your settlement. However, if your car was registered in New South Wales, Apia would retain the unexpired portion of your car'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	\$7,200	We would normally pay this directly to you. If a credit provider has a financial interest in the car then we would normally pay your credit provider (up to the applicable limits of your policy) what they are owed first and pay any balance to you.
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' additional feature on page 26 in the PDS for full details).		
Plus hire car costs	+\$700	We settled your claim 14 days after you told us about your car being stolen. We pay the hire car company for 14 days car hire calculated at \$50 per day. The hire car company has invoiced us. We will pay the hire car company.
Total claim	\$8,100	

Once we settle the claim, all cover on the car stops, and your policy is cancelled.