

NRMA Motor Insurance Premium, Excess & Discounts Guide NSW

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

It applies to policies issued with a vehicle kept in New South Wales with a commencement or renewal date on or after 16 November 2010.*

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 132 132 for information about policies issued with a vehicle kept outside New South Wales.

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
- ▶ discounts
- ▶ No Claim Discount protection
- ▶ policy options, 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 suburb where your vehicle is kept	✓	✓	✓
The age and gender of owners and drivers of your vehicle	✓	✓	✓
Your vehicle, which includes any modifications, security features and its fuel efficiency, as shown on your Certificate of Insurance	✓	✓	✓
If you have finance held against your vehicle, and the type of finance held	✓	✗	✗
The number and type of claims and incidents that all owners and drivers have had in the last five years	✓	✓	✗
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	✓	✓	✓

Discounts

The following discounts are available depending on the type of insurance you have chosen:

- ▶ No Claim Discount
- ▶ Multi-Policy Discount
- ▶ Years of Insurance Discount
- ▶ Choice of Excess Discount

We calculate the discounts that apply to your Policy before we tell you what your premium will be. Please see the 'Discounts' section of this guide on page 4 for further details.

No Claim Discount protection

If you have Comprehensive Insurance you may be eligible to protect your No Claim Discount by paying an additional premium. Please see the 'Discounts' section of this guide on page 4 for further details about protecting your No Claim Discount.

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 Government charges)
Windscreen option	\$55 (excl Government charges)

Comprehensive Motorcycle

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

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	5%

How we calculate your Motor premium

Step 1

First, we will combine the pricing factors.

Step 2

Once this amount is calculated we work out any Multi-Policy Discount and Years of Insurance Discount that you may be eligible for and apply those to the amount from Step 1.

Step 3

We then work out any No Claim Discount you may be eligible for and apply this to the amount from Step 2.

Step 4

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

Step 5

Your Choice of Excess Discount is then applied if you have chosen a higher basic excess to reduce your premium. If you have chosen to lower or remove your basic excess we will add the additional premium.

Step 6

Then, we add the cost of any optional covers you may have chosen and the cost of choosing to pay by the month.

Step 7

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

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	Basic Excess
Motor Vehicle Comprehensive	\$600
Motor Vehicle Third Party Fire & Theft	\$600
Motor Vehicle Third Party Property Damage	\$500
Motorcycle Comprehensive	\$600
Motorcycle Third Party Property Damage	\$400

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 Discount 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:

- ▶ \$0
- ▶ \$300
- ▶ \$600
- ▶ \$800
- ▶ \$1000
- ▶ \$1500
- ▶ \$2000

For more information on the discount available on your premium if you choose a higher basic excess, please see the 'Discounts' section of this guide on page 4.

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

Insurance Type	Age Excess
Motor Insurance	\$400

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
Motor Vehicle Comprehensive	\$1,600
Motor Vehicle Third Party Fire & Theft	\$1,600
Motor Vehicle Third Party Property Damage	\$1,200
Motorcycle Comprehensive	\$1,600
Motorcycle Third Party Property Damage	\$1,200

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	Age Excess
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 and owner or driver incident, claims or traffic offence history.

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

Discounts

We offer the following discounts that you may be entitled to:

- ▶ No Claim Discount
- ▶ Multi-Policy Discount
- ▶ Years of Insurance Discount
- ▶ Choice of Excess Discount

The way in which the discounts are applied to your premium is set out in the 'How we work out your premium' section of this guide on page 1.

No Claim Discount

This discount applies to Comprehensive Motor Insurance.

We reward your good driving history with a No Claim Discount which ranges from 0% to 65% for Life so you can save on your Comprehensive Motor Insurance premium. We calculate your Policy's No Claim Discount level based on:

- ▶ number of years driving experience of you and any listed driver, and
- ▶ claims and incident experience of you and any listed driver.

The No Claim Discount levels are:

Maximum No Claim Discount for Life 65%

65%

55%

45%

35%

25%

0%

How does No Claim Discount work?

Each year at renewal, the policy automatically moves up to the next level of No Claim Discount if you, or any driver or passenger does not make an at-fault claim in that policy year.

If you do make a claim for an incident where you, or any driver or passenger of your vehicle, is at fault, your Policy will move down one level of No Claim Discount unless:

- ▶ you are entitled to our Maximum No Claim Discount for Life; or
- ▶ you have chosen to protect your No Claim Discount by paying an additional premium.

If you make a claim for something that is not your fault, for example your motor vehicle or motorcycle is stolen, damaged by storm or someone scratches the paintwork, your Policy's No Claim Discount will not change. However, these claims will be taken into account as a pricing factor when calculating your premium.

The way in which your Policy's No Claim Discount is applied to your premium is set out in the 'How we work out your premium' section of this guide on page 1.

What is No Claim Discount protection?

You can pay additional premium to protect your Policy's No Claim Discount if you, or any driver or passenger of your vehicle, are at fault or cannot identify the other party at fault in an incident.

If you have chosen to protect your Policy's No Claim Discount, your No Claim Discount will not be affected for any at fault claims made within a policy year. However, these incidents or claims will be taken into account as a pricing factor when calculating your premium (see the 'How we work out your premium' section of this guide on page 1 for more information).

What is Maximum No Claim Discount for Life?

If you hold our Maximum No Claim Discount for one year with us and you don't make an at fault claim, you qualify for Maximum No Claim Discount for Life.

You retain Maximum No Claim Discount for Life for your life, even if you have multiple claims within a policy year. You may also be entitled to Maximum No Claim Discount for Life on other Comprehensive Motor Insurance Policies.

However

- ▶ if you are jointly insured on a policy, all insureds must also qualify for Maximum No Claim Discount for Life to receive it on that policy.
- ▶ if we cease to offer a No Claim Discount as part of our premium structure, our Maximum No Claim Discount for Life will also change.
- ▶ most incidents or claims will still impact the calculation of your premium and your premium could increase.

Multi-Policy Discount

A Multi-Policy Discount rewards you for holding multiple NRMA Insurance policies or NRMA Motoring & Services Membership[^].

See if you qualify for a Multi-Policy Discount[#]:

Multi-Policy Discount	How to qualify
Save 5%	Hold the following: Comprehensive Motor Insurance + NSW CTP Greenslip
Save 10%	Hold the following: Motor Insurance + NSW CTP Greenslip + Home or Landlord Insurance
Save 12.5%	Hold the following: Motor Insurance + NSW CTP Greenslip + Home or Landlord Insurance + NRMA Motoring & Services Membership [^]

[^] NRMA Membership is provided by National Roads and Motorists Association Limited ABN 77 000 010 506, trading as NRMA Motoring & Services and is separate and independent from NRMA Insurance. Excludes ClubCare, Taxi and BusinessWise memberships and members resident in Tasmania.

[#] Business Insurance, Farm Insurance and Veteran, Vintage and Classic Vehicle Insurance Policies do not entitle you to a Multi-Policy Discount

To receive the Multi-Policy Discount, the qualifying products must:

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

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

The way in which your Multi-Policy Discount is applied to your premium is set out in the 'How we work out your premium' section of this guide on page 1.

For information on how the Multi-Policy Discount is calculated for NRMA Insurance policies held in other states or territories please refer to the applicable Premium, Excess and Discounts Guide for that state or territory.

Years of Insurance Discount

This discount applies to Comprehensive Motor Insurance.

Years of Insurance Discount rewards your loyalty and applies to each qualifying Comprehensive Motor Insurance Policy. It is based on the number of years you have continuously held that Comprehensive Motor Insurance Policy with us.

Comprehensive Motor Vehicle Insurance

Years of Insurance Discount	How to qualify
Save 10% On your Comprehensive Motor Insurance.	Hold your Comprehensive Motor Insurance policy with us for: 5 to 9 years.
Save 15% On your Comprehensive Motor Insurance.	Hold your Comprehensive Motor Insurance policy with us for: 10+ years.
Save 20% On your Comprehensive Motor Insurance.	Hold your Comprehensive Motor Insurance policy with us for: 15+ years.

Comprehensive Motorcycle Insurance

Years of Insurance Discount	How to qualify
Save 5% On your Comprehensive Motorcycle Insurance.	Hold your Comprehensive Motorcycle Insurance policy with us for: 5 to 9 years.
Save 10% On your Comprehensive Motorcycle Insurance.	Hold your Comprehensive Motorcycle Insurance policy with us for: 10+ years.

If you hold Third Party Property Damage Insurance or Third Party Fire & Theft Insurance and replace this policy with Comprehensive Motor Insurance, we may take into account your prior years of continuous insurance in working out your entitlement to a Years of Insurance Discount on your Comprehensive Motor Insurance.

The way in which your Years of Insurance Discount is applied to your premium is set out in the 'How we work out your premium' section of this guide on page 2.

Choice of Excess Discount

If you choose a higher basic excess on your Comprehensive Motor Vehicle Insurance, you can decrease your premium. This means that, although you pay less in premium, you will have to contribute more to any claim you make where an excess applies.

The amount of basic excess you may choose and the percentage discount on your premium that applies is:

Choice of Excess	% discount
\$800	10%
\$1,000	13%
\$1,500	20%
\$2,000	30%

The way in which your Choice of Excess discount is applied to your premium is set out in the 'How we work out your premium' section of this guide on page 1.

If there is anything you don't understand about this NRMA Motor Insurance Premium, Excess & Discounts Guide, please call us on 132 132 or visit your local office.