

# AAMI CARAVAN INSURANCE

## PREMIUMS, EXCESSES, DISCOUNTS AND CLAIM PAYMENTS GUIDE

### Your guide to Premiums, Excesses, Discounts and Claim Payments

The Premiums, Excesses, Discounts and Claim Payments Guide (**PED Guide**) is designed to provide you with additional information about how we calculate premiums, determine excesses and discounts and pay claims under the policy. You should read this PED Guide together with our AAMI Caravan Insurance Product Disclosure Statement (**PDS**) dated 01/10/13.

**This PED guide is relevant to you if your policy has a commencement or renewal effective date on or after 05/08/2019.**

### 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, other factors related to our cost of doing business and any discounts we give you, as well as any applicable stamp duty, goods and services tax (**GST**), charge and levy. Your certificate of insurance 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 your premium was last time. As such we may limit movements up or down.

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

Factor	Australia-wide cover	On-site cover
Amount covered	✓	✓
Address where your caravan is normally located or kept	✓	✓
Your age and gender	✓	✓
Whether your caravan is financed	✓	X
Any caravan modifications	✓	X
Any optional covers you have chosen	✓	✓
Make and size of your caravan	✓	✓
Year of manufacture of your caravan	✓	X
AAMI Flexi-Premiums®	✓	✓

### Paying by instalments

Your premium will be higher if you choose to pay by instalments, rather than annually.

## Our 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 discount we offer is the No Claim Bonus.

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, 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 caravan insurance. If you have an NCB, it is shown on your certificate of insurance.

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 OR the registration number of their vehicle.

For all other claims your NCB level will be reduced.

NCB levels are between 0% up to a maximum of 40%.

## Government taxes and charges

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

## Your excess

The different types of excesses are:

### Standard excess

The standard excess is \$300.

### AAMI Flexi-Premiums® excess

You can choose an AAMI Flexi-Premiums excess of either \$600 or \$1,000. Choosing a higher excess reduces your premium. If you choose an AAMI Flexi-Premiums excess, this will replace the standard excess.

### Age excess

If the driver of the vehicle towing the caravan is under 25 years of age, their age excess is \$400, whether they are listed on the policy or not.

### Inexperienced driver excess

The inexperienced driver excess is \$400, whether the driver of the vehicle towing the caravan is listed or not. This excess applies if the driver is 25 years or over and has not held the relevant driver's licence for the towing vehicle for at least the past 2 consecutive years.

### Off-road excess

The off-road excess is \$200. It applies if the caravan is damaged whilst being towed on any beach or any dirt road or unsealed road.

## 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. AAMI always determines real claim payments on an individual basis, after we have assessed each claim. You should read the PDS and your certificate of insurance for full details of what we cover as well as what policy limits, conditions and exclusions apply.

Note 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 the policy holder is not registered for GST and that the caravan is not under finance.

### Example 1 – Total loss

Your 4 year old caravan is insured for an amount covered of \$15,000. Your standard excess is \$300. Your caravan is damaged by hail and we assess the cost of repairs to your caravan will be \$15,500. Based on what it would cost us to repair your caravan, we determine it is a total loss. As your caravan is more than 2 years old, the 'New caravan after a total loss' additional feature does not apply to you.

How much we pay		Additional information
Amount covered	\$15,000	We determine your caravan is a total loss when it is uneconomical, impractical or unsafe to repair.
Less excess payable	-\$300	As your caravan 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	\$0	This example is based on the caravan being registered in Queensland. For Queensland registered caravans, the unused registration is not deducted from your settlement. However, if your caravan was registered in New South Wales, AAMI would retain the unexpired portion of your caravan's registration and you'd be free to collect that amount from the NSW Roads and Maritime Services (RMS) directly.
Claim so far	\$14,700	We would normally pay this directly to you. If a credit provider has a financial interest in your 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.
If your insurance was paid through 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.
<b>Total claim</b>	<b>\$14,460</b>	

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

Your caravan is insured for an amount covered of \$29,800. Your AAMI Flexi-Premiums excess is \$600. Your caravan is damaged completely by fire and we determine it is a total loss. Your caravan is less than 2 years old and you qualify for the "New caravan after a total loss" additional feature (see page 16 in the PDS for 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" additional feature (see page 16 in the PDS for details). We pay this amount directly to the caravan dealership.
Less excess payable	-\$600	As your caravan was damaged by fire the AAMI Flexi-Premiums excess applies. You pay your excess directly to us.
Towing costs	\$500	We arranged for your caravan to be towed to the nearest repairer as the caravan was not able to be towed by your car (see page 19 in the PDS under "Towing and storage costs" additional feature for details on towing costs). The towing company invoices us and we pay them directly.
<b>Total claim</b>	<b>\$31,200</b>	

Your policy will continue to its expiry date. 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 loss

You have insured an unregistered On-site caravan for an amount covered of \$12,000. You have taken out the 'Annexe cover' option (see page 24 in the PDS for details) for an amount covered of \$3,000. You have also taken out the 'Increased contents cover' option (see page 25 in the PDS for details) with a total amount covered for your contents of \$2,500. Your standard excess is \$300.

Your caravan is broken into, causing damage to the annexe and caravan door. Your television and DVD player have also been stolen and you have reported this 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 your stolen contents.

How much we pay		Additional information
Damage to annexe and caravan	\$1,500	We normally determine your caravan is repairable if it is economical, practical and safe to repair, which in this case it is. We normally pay the cost of repairs 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 payable	-\$300	As your claim is a result of your caravan being broken into, the standard excess applies. We will deduct this from the amount we pay to you unless you have already paid the excess to us for this claim.
<b>Total claim</b>	<b>\$2,000</b>	

### Example 4 – Stolen caravan

Your caravan is insured for an amount covered of \$8,000 and it is your usual home. Your standard excess is \$300. The caravan is stolen and you report this to the police and to us. Your caravan is not found within 14 days of 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	\$8,000	Your caravan becomes a total loss if it is stolen and unrecovered after 14 days. We pay the amount covered on your certificate of insurance, less any applicable excess.
Less excess payable	-\$300	As your caravan 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	\$0	This example is based on the caravan being registered in Queensland. For Queensland registered caravans, the unused registration is not deducted from your settlement. However, if your caravan was registered in New South Wales, AAMI would retain the unexpired portion of your caravan's registration and you'd be free to collect that amount from the NSW Roads and Maritime Services (RMS) directly.
Claim so far	\$7,700	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.
As your caravan has been stolen and it is your usual home, we will pay for temporary accommodation for up to 30 days. See the PDS on page 18 for details.		
Plus temporary accommodation costs	\$2,100	We settled your claim 14 days after you told us about your caravan being stolen. We pay your temporary accommodation costs of \$150 per day (we pay up to \$150 per day), for 14 days.
<b>Total claim</b>	<b>\$9,800</b>	

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

### Example 5 – Legal liability

Your caravan is comprehensively insured which includes legal liability cover. Your standard excess is \$300. You reside permanently in your caravan. You invited a guest over for morning tea. When your guest was leaving, your caravan's attached folding steps collapsed, causing your guest 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 \$9,000. We assess this claim and agree you are legally liable for these amounts.

How much we pay		Additional information
Total amount of liability	\$9,000	We assess the claim and agree you are legally liable. We pay this amount to the injured party.
Less excess payable	-\$300	You pay your standard excess to us before we settle the claim.
<b>Total claim</b>	<b>\$8,700</b>	