

# ***Your Guide to Premiums, ExcessES, Discounts and Claims***



***Insure MyRide™***

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*Your Guide to Premiums, Excesses, Discounts & Claims* is designed to provide you with additional information about the excesses and discounts that may apply to the InsureMyRide Bike Insurance Policy, as well as explain how we calculate premiums for, and pay claims under the Policy.

**You should read this Guide together with our Bike Insurance Policy - Product Disclosure Statement (PDS), which shows a preparation date of 12 October 2009 on page 3, any Supplementary PDS we have sent you and your insurance certificate.**

**This Guide applies to new policies quoted for on or after 22 November 2011. It also applies to renewed policies if their new period of cover commenced on or after 26 December 2011.**

**This insurance product is brought to you by the bike friendly people at:**

Australian Alliance Insurance Company Limited (AAI), ABN 11 006 471 709, Australian Financial Services Licence No. 235011, Level 7, 447 Collins Street, Melbourne VIC 3000. AAI has prepared this Guide and is the issuer of policies effected by InsureMyRide ABN 75 121 676 293. InsureMyRide is the authorised representative and wholly owned subsidiary of Australian Alliance Insurance Company. InsureMyRide acts as AAI's agent and authorised representative No 308301, to enter into contracts of insurance on behalf of AAI as insurer and deal with and settle claims on behalf of AAI. AAI can be contacted by writing to Level 7, 447 Collins Street, Melbourne VIC 3000. This PDS has been distributed with the authority of AAI.

# Premiums

## *How we calculate your premium*

The premium is the amount you pay us for your insurance. The premium payable by you will be shown on your Certificate.

We calculate your premium after taking a variety of factors into account. Some factors are unrelated to you or your risk profile, such as our cost of distributing insurance products and our profit component. Using our experience, we determine what other factors affect your risk profile. We ask you to provide information about your bike and insurance history based on these risk factors. The combination of your answers to these questions enables us to calculate the premium payable for this insurance policy.

The total premium payable by you will include:

- Pricing factors
- Discounts
- No Claim Bonus
- Policy options, and
- Government charges



The following table is a guide to some of our Pricing factors which may impact your premium.

Pricing Factor	Lower Premium	Higher Premium
Postcode where your bike's garaged	Lower risk postcode	Higher risk postcode
The type of cover you choose	Third party only	Comprehensive
Frequency with which you use your bike	Weekend/Recreation Use	Daily Use
Your no-claim Bonus	Higher no-claim bonus	Lower no-claim bonus
Age of the youngest rider	Older rider	Younger rider
Make/model of your bike	Smaller or less powerful bikes	Higher risk bike
Finance	No Finance	Finance secured by lending institution
The amount of your excess	An optional excess that is higher than the standard excess	N/A
Age of your bike	Older Bike	Newer bike
Your Previous Insurance History	Less than average claims	More than average claims
Sum Insured of your bike	Lower value	Higher Value
Garaging	Bike parked in a garage	Bike parked on the street

## ***Government charges***

Your premium includes any compulsory government charges, taxes and levies in relation to your policy (eg. Stamp Duty & GST). These amounts will be set out separately on any certificate as part of the total premium payable.

Government Charges	
GST	10%
Stamp Duty	10%

# Discounts

The table below outlines the discounts that are available depending on your circumstances.

Any discounts that you qualify for will be included in the total premium payable by you. From time to time we may offer promotional discounts that reduce your premium.

Type of Discount	Who qualifies	What you can save	
<b>Optional Excesses</b> You can choose to take a higher excess on your policy. The higher the excess you choose, the lower the premium.	InsureMyRide customers who choose an excess that is additional to the standard excess.	<b>Comprehensive</b>	
		<b>Excess</b>	<b>Discount</b>
		\$500	2.5%
		\$750	7.5%
		\$1,000	10%
		\$1,250	12.5%
		<b>Theft Cover</b>	
		<b>Excess</b>	<b>Discount</b>
		\$500	2.5%
		\$750	7.5%
		\$1,000	10%
		\$1,250	12.5%
<b>Third Party Property Damage</b>			
<b>Excess</b>	<b>Discount</b>		
\$500	2.5%		
\$750	7.5%		
\$1,000	10%		
\$1,250	12.5%		
<b>Online Policy Discount</b> If you complete your new policy quote online and convert this to a new paid policy you will receive a discount	All customers who complete their policy online at <a href="http://insuremyride.com.au">insuremyride.com.au</a> only.	25% online discount only	
<b>Approved Rider Training Course Discount</b> If you have completed any of the approved courses listed on our website you are entitled to a discount on your policy.	All customers who have completed an approved training course	5 % discount only	

# **EXCESS**

An excess is the amount you contribute towards your claim. The amounts of your excesses are shown on your current certificate of insurance.

When you make a claim under this policy, you may be required to pay more than one excess in respect of your claim. A maximum of 2 excesses will be applied to any claim, the standard excess and one of the additional excesses (whichever one is the greatest).

We will tell you when an excess is payable.

## ***Types of Excess***

There are 4 types of excess that may apply to your claim. The types of excess that may apply are:

### **Standard Excess**

This is the minimum amount that you may be required to contribute towards your claim. The amount of your standard excess is shown on your certificate under the heading 'excess'. The Standard Excess amount is \$400.

### **Optional Excess**

This is the optional excess you've chosen. The amount of your optional excess is shown on your certificate under the heading 'excess'. Optional Excess amounts are listed on page 6 of this guide and would replace the standard excess.

# EXCESS (cont.)

## Age Excess (named riders)

This is an additional excess that will apply to riders who are under the age of 25 and you have named on your policy. The young riders excess is in addition to your standard or optional excess you have chosen. This excess is \$400, and doesn't vary depending on the bike we have insured.

For example:

The Standard Excess for your policy is:	\$400
Age Excess (named rider and dirt bike)	\$400
<b>Your total excess if you make a claim:</b>	<b>\$800</b>

## Age Excess (unnamed rider)

This is an additional excess that will apply to riders who are under the age of 25 and have not been named on your policy. The young riders excess is in addition to your standard or optional excess you have chosen. These excess amounts are: Road Bike \$800, Dirt Bike \$500 and Scooter \$500.

## Inexperienced Rider Excess

This applies to riders who have had their bike licence for less than 1 year or who have been riding for less than one year. These excess amounts are: Road Bike \$800, Dirt Bike \$500 and Scooter \$500.

For example:

The Standard Excess for your policy is:	\$400
Inexperienced Rider Excess (road bike)	\$800
<b>Your total excess if you make a claim:</b>	<b>\$1,200</b>

A maximum of 2 excesses will be applied to any claim, the standard excess and one of the three additional excess-(whichever one is greatest).

## ***How an excess is applied to your claim***

### **Excess we may apply**

We may apply an excess to your policy which differs from the standard and optional excess shown in this Guide due to your insurance history, driving record, bike type or for other reasons.

We will tell you if we need to apply an excess that varies from the standard and optional excesses before you agree to purchase, or renew your insurance. The amount of any excess that we apply will be shown on your certificate.

The excess that we apply will replace the standard excess plus any optional excess you have chosen.

### ***How the total excess is calculated***

The total excess is calculated at the time of a claim by adding your standard excess (or optional excess if you have chosen one) or any excess we have applied, to any young rider or inexperienced excess.

The total excess you are required to contribute towards your claim is determined using the circumstances of your claim and the age of the rider.

The table on the next page shows examples of when an excess may apply to your claim, and the type of excess that may apply.

# EXCESS (cont.)

## How the excess is deducted from your claim

The table below outlines how your excess may be deducted from your claim. Our claims staff will advise you of the best option to suit your needs.

When you make a claim for	Will any excess apply?
Malicious Damage	Yes – Standard /Optional or the excess applied by IMR
Theft or attempted theft of your bike	Yes – Standard /Optional or the excess applied by IMR
Own bike damage	Yes – Standard /Optional or the excess applied by IMR
An accident that we agree is not your fault, and you cannot provide us with the name, address and registration number (if applicable) of the person at fault.	Yes – Standard /Optional or the excess applied by IMR
An accident that we agree is not your fault, and you can provide us with the name, address and registration number (if applicable) of the person at fault.	No – because we will be able to recover the cost of damage to your bike
Under 25 year old rider in an accident that we agree is not their fault, and you can provide us with the name, address and registration number (if applicable) of the person at fault.	No – because we will be able to recover the cost of damage to your bike
Under 25 year old rider in an accident that we agree is not their fault, and you cannot provide us with the name, address and registration number (if applicable) of the person at fault.	Yes – Standard /Optional and the Age excess or the excess applied by us

### Excess Payment Options

Pay to us or our Representative	You can choose to pay your excess directly to us or our claims representatives.
Pay to Repairer / Supplier	You can choose to pay your excess directly to our nominated repairer or supplier.
Deduct from Settlement	You can choose to have your excess deducted from your claims settlement.

# No Claim Bonus

## What is a “No Claim Bonus”

A ‘No Claims Bonus’ is a type of discount that rewards you for your good claims history. This discount applies to Comprehensive Bike Insurance. The table below shows the No Claim Bonus discounts for InsureMyRide Comprehensive Bike Insurance.

Your no claim bonus will be reduced if you make a claim and you are considered at fault.

The amount we reduce Your No Claim Bonus for each claim is set out below:

No Claim Bonus	Description	Discount (%)
Rating 1	5 Years Claims Free	65%
Rating 2	4 Years Claims Free	55%
Rating 3	3 Years Claims Free	45%
Rating 4	2 Years Claims Free	25%
Rating 5	1 Years Claims Free	NIL



# No Claim Bonus (cont.)

## How your NCB is impacted after claims

You will keep your No Claim Bonus if:

- We agree the accident was not your fault;
- You can prove that another person was completely responsible; and
- You tell us the persons' name, current address and/or the registration number of their vehicle.

Your no claim bonus will be reduced if you make a claim and you are considered at fault.

The amount we reduce Your No Claim Bonus for each claim 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-Claims Bonus on renewal to:
65% / Rating 1	55% / Rating 2	45% / Rating 3
55% / Rating 2	45% / Rating 3	25% / Rating 4
45% / Rating 3	25% / Rating 4	Nil / Rating 5
25% / Rating 4	Nil / Rating 5	Nil / Rating 5
Nil / Rating 5	Nil / Rating 5	Nil / Rating 5

# Examples of how your claim may be settled

## Comprehensive Bike Insurance

### Repairing your bike

Your bike is damaged as a result of an accident which is your fault, and we agree to repair your bike. The quality of the repairs authorised by us on your bike will be guaranteed for the life of your bike.

You arranged for your bike to be towed to your preferred repairer, and the towing company invoices you for \$280.

The quote to repair your bike is \$2,900. Your total excess is \$500.

We pay the towing company for their invoice:	\$280
We pay the assessed cost of repairs to your bike of \$2,900, less the cost of your excess of \$500 (\$2,900-\$500 = \$2,400)	\$2,400
You pay the repairer the excess of \$500	\$500

### Total Loss

Your bike is damaged as a result of an accident which is your fault, and we agree it is uneconomical to repair your bike (i.e. it is a total loss) taking into consideration:

- The sum insured of the bike at the time of loss
- The assessed cost of repairs
- The assessed salvage value

We arranged for your bike to be towed to our claims assessment centre, and the towing company invoices us for \$280.

# Examples of how your claim may be settled (cont.)

## Total Loss (cont.)

The sum insured of your bike as shown on your certificate is \$14,700, taking into consideration any accessories or modifications that you have advised us of and we have agreed to insure, the age, make, model, kilometres travelled and condition of your bike.

We pay the towing company for their invoice:	\$280
We pay you the balance of the sum insured of your bike less your excess – Standard Excess of \$400.	\$14,300

If the vehicle salvage is valued at \$1000, the salvage becomes our property and we are entitled to keep the \$1000 proceeds of its sale. We may offer you first option to purchase the salvage and deduct this amount from the total settlement should you wish to retain the salvage.

## New Bike Replacement

Your bike is damaged as a result of an accident which is your fault, and we agree it is uneconomical to repair your bike taking into consideration:

- The sum insured of the bike at the time of loss
- The assessed cost of repairs or
- The assessed salvage value.

Your riding gear (including helmet (\$700) and riding jacket (\$400) was also damaged in the accident. At the time of the accident you had had your bike licence for less than one year.

Your bike was also less than 1 year old. The cost to replace your bike with a new bike of the same make and model including similar accessories, tools, spare parts, stamp duty and dealer delivery charges applicable is \$14,990. You also have riding gear coverage on the policy with a limit of \$1000 shown on your certificate.

Your total excess is \$1,200. Standard Excess \$400 and Inexperienced Excess \$800 (Road Bike, over 25 rider).

You pay us your excess of:	\$1,200
We pay the cost to replace your bike	\$14,990
We pay the policy limit of \$1000 (your jacket and helmet were valued at \$1100 in total but your policy limit is \$1000) for Riding gear cover	\$1,000

If the vehicle salvage is valued at \$1000, the salvage becomes our property and we are entitled to keep the \$1000 proceeds of its sale. We may offer you first option to purchase the salvage and deduct this amount from the total settlement should you wish to retain the salvage.

## ***Theft Cover***

### **Total Loss**

Your bike is stolen and not recovered. You were a named rider that was under the age of 25 at the time. You arrange for a hire vehicle at a cost of \$50 per day.

The sum insured of your bike was \$4500 at the time of loss.

Your standard excess is \$400.

We pay the sum insured of your bike less your excess of \$400 ( $\$4,500 - \$400 = \$4,100$ )	\$4,100
We also pay for the hire car for up to 14 days to a maximum of \$1,500. $14 \times \$50$ :	\$700

## ***Third Party Property Damage***

### **Damage caused by an uninsured third party**

Your bike is damaged in an accident caused by the driver of another vehicle, and you have provided us with the current name and address of the driver of the other vehicle, or the registration number of the vehicle that caused the loss or damage and confirmation that the other driver is not insured.

The assessed cost to repair your bike is \$2,000.

Total excess payable by you	NIL
We pay the cost of repairs to your bike (note this benefit has a limit \$3000 and we will not pay more than the market value of your bike)	\$2,000

## Examples of how your claim may be settled (cont.)

### Damage caused by an uninsured third party

Your bike is involved in an accident that causes damage to another person's property costing \$5,000 to repair, and you are liable for the damage caused.

Legal costs incurred by us to defend your claim on your behalf are \$900. The rider of your bike was also under 25 and not named on your policy.

Your total excess is \$1,200 (Standard \$400, unnamed under 25 rider \$800 Road Bike)

You pay us your excess of	\$1,200
We pay the other persons cost of repairs (note this benefit has a limit of \$20 million- Legal Liability)	\$5,000
We pay the legal costs incurred	\$900

## How to contact InsureMyRide

Should you require further information about anything contained in this guide or about the products or services InsureMyRide offer, please visit our website

***InsureMyRide.com.au*** or contact us on 13 BIKE (13 24 53).

# Notes



Insurance issued by Australian Alliance  
Insurance Company Limited (AAI)  
ABN 11 006 471 709, AFS Licence No. 235011.

**InsureMyRide** Pty Limited,  
ABN 75 121 676 293, acts as agent and authorised  
representative of AAI. Authorised representative  
No.308301.

