

# **InsureMyRide motorbike insurance**

## **Premiums, excesses, discounts and claim payments guide**



### **Your Guide to Premiums, Excesses, Discounts and Claim Payments**

This InsureMyRide Bike Insurance Premiums, Excesses, Discounts and Claim Payments Guide is designed to provide you with additional information about how we calculate premiums for, and pay claims under, the policy.

You should read this Guide together with the InsureMyRide Policy – Product Disclosure Statement (PDS), any Supplementary PDS we have sent you and your insurance certificate.

This Guide applies to new policies and renewal policies which commence on or after 1 July 2013.

### **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, Stamp Duty, goods & services tax (GST) and fire services levy (FSL) (if applicable). Your insurance 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 risk premium will differ from person to person. Significant factors affecting your premium include a combination of some or all of the following:

- The postcode where your bike is garaged;
- The type of cover you choose;
- The frequency with which you use your bike;
- The age and gender of the youngest rider;
- The year, make and model of your bike;
- Whether your bike is under finance;
- Sum insured of your bike;
- How your bike is parked overnight;
- Whether an anti-theft device is fitted to your bike;
- Number of years the main named rider has held their bike licence;
- Whether there are modifications fitted to your bike;
- If your bike is registered;
- Whether you choose to increase your standard excess;
- Whether you pay by instalments;
- Your claims history.



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 the repair costs of your bike;
- Changes in government taxes and any state or territory duties or levies;
- Our expenses of doing business and 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.

## **Premium Discounts**

The premium you pay for this insurance includes any discounts we have given you. Discounts are usually applied immediately before the application of government taxes and charges.

The main discounts we offer include:

### **Online Policy discount**

If you complete your new policy quote online rather than over the telephone and convert this to a paid policy, you will receive a discount.

### **Approved Rider Training Course discount**

If you have completed any of the approved courses listed on our website, and let us know, you are entitled to a discount on your Comprehensive or Third Party insurance policy.

### **No Claim Bonus discount**

A 'No Claims Bonus' is a discount that rewards you for your good claims history. This discount applies only to Comprehensive Bike Insurance.

On each renewal, your discount will increase 1 level provided that you have not made any claims that adversely affect your Rating. For each claim you make that adversely affects your Rating, your Rating will reduce 1 level on renewal (for more details see page 43 in the PDS).

The table below sets out the Rating levels and how the discount levels differ.

<b>No Claim Bonus</b>	<b>Description</b>	<b>Discount (%)</b>
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

From time to time we might also offer discounts or some other special offer as part of a marketing campaign. If we do this, separate terms and conditions will usually apply and you might not be eligible for our usual discounts.

If you are eligible for more than one discount, we apply any subsequent discount to the already discounted premium.

The amount and type of discounts offered can change or be withdrawn.

Our policies are subject to minimum premiums and discounts will not reduce a premium below the minimum premium.

## Government taxes and charges

Your premium includes any compulsory government charges, taxes and levies in relation to your policy (eg. Stamp Duty & GST).

## Excesses

The amount and type of excesses that apply to your policy are shown on your insurance certificate and are described in the PDS. The different types of excesses are:

Standard Excess	Your standard excess applies to all claims unless the PDS says otherwise. Your standard excess will depend on your insurance history, driving record, bike type and other factors.  You may be able to choose to increase your standard excess to reduce your premium and if we agree, your standard excess will be the amount chosen by you from our options.
Age Excess (named riders)	This is an additional excess that will apply to riders who are under the age of 25 and who are named on your insurance certificate. The age excess (named riders) applies in addition to your standard excess. The excess is \$400.
Age Excess (unnamed riders)	This is an additional excess that will apply to riders who are under the age of 25 and who are <b>not</b> named on your insurance certificate. The age excess applies in addition to your standard excess.  The excess is: Road Bike – \$800, Dirt Bike – \$500 and Scooter – \$500.
Inexperienced Rider Excess	This is an additional excess that applies to riders who have had their bike licence for less than 1 year or who have been riding for less than one year.  The excess is: Road Bike – \$800, Dirt Bike – \$500 and Scooter – \$500.

## Will you have to pay any excess?

The table below outlines how your excess may be deducted from your claim.

What happened?	Will you have to pay any excess?
Malicious Damage	Yes – Standard excess
Theft or attempted theft of your bike	Yes – Standard excess
Own bike damage	Yes – Standard excess
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 excess
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 may 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 may 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 and Age excess

Your total excess will be payable to us, the repairer or supplier or we may deduct it from your claim settlement.

## Claim Payment Examples

The below examples show how InsureMyRide may pay some bike insurance claims. They are only examples. InsureMyRide always determines real claim payments on an individual basis, after we have assessed each claim.

Index of claim payment examples:

1. Comprehensive Bike Insurance – Repairing your bike
2. Comprehensive Bike Insurance – Total Loss
3. Comprehensive Bike Insurance – New bike replacement
4. Theft Cover – Total Loss
5. Third Party Property Damage – Uninsured third party
6. Third Party Property Damage – Legal Liability

Notes about the claims payment examples:

- all amounts are shown in Australian dollars and are GST-inclusive
- all examples assume that the named insured is not registered for GST

## Comprehensive Cover

### Example 1 – Repairing your bike

Your bike is damaged as a result of an accident which is your fault, and we agree to repair your bike. At the time of the accident you had had your bike licence for less than one year. Your bike sum insured is \$7,000. Your standard excess is \$400.

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.

We pay the towing company for their invoice	\$280
We pay the repairer the assessed cost of repairs to your bike of \$2,900, less your excess (\$2,900 – \$1,200 = \$1,700)	\$1,700
You pay the repairer your excess (standard excess of \$400 plus inexperienced rider (road bike) excess of \$800)	\$1,200

### Example 2 – 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. we declare it a total loss).

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

The sum insured of your bike as shown on your insurance certificate is \$14,700. Your standard excess is \$400.

We pay the towing company for their invoice	\$280
We pay the storage costs of your bike at the repairer	\$100
We pay you the balance of the sum insured of your bike less your excess	\$14,300

The vehicle salvage becomes our property and we are entitled to keep the proceeds of its sale. We may offer you first option to purchase the salvage and deduct the salvage value from the total settlement should you wish to retain the salvage.

### Example 3 – New Bike Replacement

Your bike is damaged as a result of an accident which we agree is not your fault. We decide 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; and
- The assessed salvage value.

Your riding gear (including helmet (\$700) and riding jacket (\$400) were also damaged in the accident.

Your bike was less than 1 year old, you had bought it new and it is not under finance. 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 have selected riding gear coverage with a limit of \$1,000 shown on your insurance certificate.

Your standard excess is \$500. You pay your premium by instalments and you have one quarterly instalment remaining of \$140.

Total excess payable by you	NIL
We pay the towing company for towing your bike	\$280
We pay the storage costs of your bike at the repairer	\$100
We pay the cost to replace your bike	\$14,990
We pay the policy limit of \$1,000 (your jacket and helmet were valued at \$1,100 in total but your policy limit is \$1,000) for riding gear cover less your remaining instalment	\$860

The vehicle salvage becomes our property and we are entitled to keep the proceeds of its sale. We may offer you first option to purchase the salvage and deduct the salvage value from the total settlement should you wish to retain the salvage.

### Theft Cover

#### Example 4 – 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 \$4,500 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 vehicle for up to 14 days ( $14 \times \$50$ )	\$700

## **Third Party Property Damage Cover**

### **Example 5 – Damaged 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 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 \$3,000 and we will not pay more than the market value of your bike)	\$2,000

### **Example 6 – Legal Liability**

Your bike is involved in an accident that causes damage to another person's car costing \$6,000 to repair, and you are liable for the damage caused. The other person needs to hire a vehicle for 22 days at a cost of \$65 / day while their car is being repaired.

The rider of your bike was also under 25 and named on your policy.

Your total excess is \$800 (Standard \$400, age excess (named rider) \$400 – Road Bike)

You pay us your excess of	\$800
We pay the cost to repair the other person's car	\$6,000
We pay the other's persons hire car costs while their vehicle is being repaired	\$1,430

## **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](http://InsureMyRide.com.au) or contact us on 13 BIKE (13 24 53).

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