

Territory Car Insurance



Premium, Excess, Discount and Options Guide (PED)

Information is current as at
16 April 2023



On-Line
tiofi.com.au



Call
131 846

Important qualification

The information in this document is current as at 16 April 2023. Any dollar amounts or percentages listed in this document or other important information may be varied by us at any time. Where this is the case, we will update this document and tell you about the change when you apply for a new policy, vary a policy or renew your policy.

Premium, Excess, Discount and Options Guide

This Premium, Excess, Discount and Options Guide (PED) aims to provide you with more information about:

- how TIO calculates premiums;
- what discounts can be applied to your premium and how this is done;
- when certain excesses need to be paid following certain claims; and
- the options available under your Territory Car Insurance policy.

Please read this document in conjunction with your Territory Car Insurance Product Disclosure Statement (PDS); however, this PED guide does not form part of the terms and conditions of your policy.

About the premium we charge you

In return for paying or agreeing to pay us your premium, we will provide the cover that you have chosen, including any options that you have selected. Generally the premium we charge you will be calculated on our view of the likelihood of a claim being made on the policy during the term of the policy. When we work out the premium we charge you we look at a number of factors that have over time been shown to be a good determinate of the likelihood of a claim being made.

Over time we may change the relative importance of any of the factors and/or how they combine to affect the premium we charge you. See “Important factors” section on page 4 of this guide for more details.

The premium we charge you will also include amounts that take into account our responsibility for stamp duty, GST, and any other government charges and any fire services levies (FSL/ESL) in relation to your policy. Where we have estimated an amount in relation to our responsibility for a tax, charge or levy we do not adjust the premium if we have over or under estimated this amount.

Certain excesses you choose can also impact on your premium. See “Our excesses” section on page 8 of this guide for more detail. Generally all discounts will be applied prior to determining the impact of government charges and levies. See “Our discounts” section of page 6 of this guide for more detail.

Minimum premiums and premium rounding can affect any discount entitlement. See “Minimum premiums and premium rounding” section on page 5 of this guide for more detail.

Renewals

If you renew the policy you need to be aware that the premium we charge you is likely to change, even if there has been no change in the circumstances which were applicable to the policy when you first took it out or subsequently renewed it. This is because other factors may affect the premium, including:

- the cost of claims we have paid and that we expect to pay in the future;
- new data we have collected on the various factors we use to determine your premium;
- our expenses of doing business; and
- any other commercial considerations.

When calculating the premium that we charge you on renewal we also consider what your premium was previously, and we may limit movements up or down.

Important factors

The important factors affecting the premium we charge you will include all or some of the following, depending on what level of cover you choose and the options you may select.

Factor	Comprehensive	Third Party Property Damage	Third Party Fire & Theft
Amount insured for	✓	✗	✓
Address where car is kept	✓	✓	✓
Vehicle use (private/business/rideshare)	✓	✓	✓
Age of driver(s)	✓	✓	✓
Gender of driver(s)	✓	✓	✓
Type of vehicle	✓	✗	✓
Whether vehicle is financed	✓	✗	✓
Vehicle age	✓	✓	✓
Distance driven annually	✓	✗	✗
Claims made on previous motor policies	✓	✓	✓
Claims made on this policy	✓	✓	✓
The options you have chosen	✓	✗	✗
The Basic excess you selected	✓	✗	✗
Whether you pay annually or monthly	✓	✓	✓
Employment status	✓	✗	✗
Residential status	✓	✗	✗

Instalment premiums

If you pay your premium monthly, the cost of 12 monthly payments may be greater than the cost of paying your premium in one lump sum annually. This is because of the financial benefits we gain from having the total premium paid in a lump sum as well as the lower costs that have been associated with annual premium policies compared to monthly instalment policies over time.

Minimum premiums and premium rounding

Minimum premiums may apply.

In some cases, discounts/entitlements may apply if you meet certain criteria we set. Any discounts/entitlements may be subject to rounding, and will only apply to the extent any applicable minimum premium is not reached.

If you are eligible for more than one discount/entitlement, we apply each of them in a predetermined order to the premium, before policy options are added, (excluding amounts we charge in relation to taxes and government charges) as reduced by any prior applied discounts/entitlements. Any discounts/entitlements will be applied to the base premium calculated, prior to any amounts we charge in relation to taxes and government charges being added.

Our discounts

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

- Safe driver discount;
- Named driver discount;
- other discounts as marketed or made available by us from time to time.

We apply discounts prior to adding GST, government charges and levies. Discounts do not apply to policy options.

Safe driver discount

A Safe driver discount of up to 5%, 10% or 15% may be applied to your premium – excluding policy options. A Safe driver discount reflects your insurance history, driving history and the number of claims you have made.

The maximum Safe driver discount that can be earned at new business is 10%.

A Safe driver discount is only applicable to Comprehensive car insurance and a different Safe driver discount may apply to every vehicle on each policy that you hold with us.

Your Safe driver discount is one of the factors we use to determine the premium we will charge. If you are eligible for a Safe driver discount it will be shown on your schedule.

What happens to my Safe driver discount if I make a claim?

In the event that you make a claim:

- that is an at-fault claim; or
- that is a not at-fault claim where;
 - you are unable to provide us with the responsible party's name, address and vehicle registration number or any other information that would reasonably allow us to identify the person so that we can exercise our rights of recovery; or
 - it is made due to any storm, naturally occurring event or a collision with an animal; or
- where we are unable to recoup the expenses we incurred in providing cover for any accidental loss or damage to your vehicle or in covering any of your legal liability costs after a claimable event;

your Safe driver discount may be affected and it could be reduced (including to nil).

Named driver discount

Choosing the Named driver option is only allowed on comprehensive motor insurance.

In the event that you are prepared to name specific drivers on your policy, we will provide a discount to the premium – excluding policy options. The amount of the discount that we may apply is up to 5.8%.

If you choose this option and a claim is lodged for any incident when your vehicle was being driven by any driver not listed in your policy schedule, an Unnamed driver excess will be applied. This excess is \$2,500, and if payable will replace any other excess that would have otherwise been applicable to the unnamed driver.

Our excesses

Excesses payable

There are different types of excesses which may apply to you or the driver of your vehicle at the time of the claim. These excess types are shown on the policy schedule under the heading Excess applicable to claims.

You may have to pay more than one excess.

Your Basic excess

Your Basic excess is the amount you must pay as a contribution to each claim. The amount of Your Basic excess will be shown on the policy schedule, next to the heading "Your Basic excess". If we settle your claim by cash settlement we will deduct the excess from the amount we pay you. In other circumstances, you may need to pay the excess as a contribution to the repair or replacement.

The amount of Your Basic excess may comprise a Basic excess and an Imposed excess which reflects our risk and underwriting criteria.

If an Imposed excess has been applied, it will appear separately on your policy schedule.

You will have the choice of changing Your Basic excess within a range that we will determine but you cannot vary or remove any imposed excess.

Age excess

If you make a claim for an incident which occurred when your vehicle was being driven by a driver under the age of 25, you will need to pay the Age excess shown in the policy schedule in addition to Your Basic excess (and all other applicable excesses payable in the policy schedule).

If the under 25 driver is not listed on your policy schedule, you will pay a higher Age excess than if the driver is listed.

The Age excesses as at 16 April 2023 are shown below:

	Under 25 Driver
Driver Listed on your policy schedule	\$600
Driver not listed on your policy schedule	\$1,800

You will not have to pay the Age excess (Under 25 Driver) if the driver:

- was found guilty of the theft or illegal use of your vehicle;
- had been paid by you to repair, service or test your vehicle;
- was an attendant at a car park; or
- was a learner driver accompanied by the holder of a full unrestricted Australian drivers licence.

Theft excess

Applicable only where specified on the policy schedule.

If you make a claim for loss or damage caused by or arising from theft or attempted theft of your vehicle, you must pay the theft of vehicle excess shown in the policy schedule in addition to all other applicable excesses shown in the policy schedule.

Driver excess

Applicable only where specified on the policy schedule.

When the policy schedule shows there is a Driver excess on the policy, the Driver excess will be applied if you make a claim for an incident which occurred whilst the vehicle is being driven by the person listed. This excess is in addition to all other excesses applicable to your policy.

Unnamed driver excess

When the policy schedule shows that the Named driver option applies, we will apply an Unnamed driver excess (as shown in the policy schedule) if you make a claim for an incident that occurred when your vehicle was being driven by any driver that is not listed in the policy schedule as a named driver.

This excess of \$2,500, if payable, replaces all other excesses applicable to your policy.

Policy options that may be purchased

The following options may only be purchased for an additional premium with a comprehensive car insurance policy:

- Rental car following an accident;
- Removal of basic excess for windscreen claims; and
- Tools of trade

In order to be sure that you are covered under these optional benefits you should always contact us for approval before you incur expenses you wish to claim. If you do not, we will pay for expenses incurred up to the amount we would have authorised had you asked us first.

Rental car following an accident

You may choose to purchase this option.

If we approve a claim for accidental damage to the covered vehicle, we will:

- provide you with a rental or loan car; or
- if a rental or loan car is not available, pay you a daily travel allowance of \$50.

The rental car benefit or daily travel allowance will be provided from:

- the date repairs to your vehicle are authorised; or
- the date your vehicle is made available for repairs to be commenced,

whichever is the later.

There is a maximum daily rental charge of \$100 that we will pay.

We will provide the rental car or daily travel allowance benefit:

- for a maximum period of 30 days;
- until the repairs have been completed; or
- until we settle your claim by paying you the agreed or market value,

whichever happens first.

We will extend your rental car or daily travel allowance period to the extent that we caused or contributed to the delay in repairing your vehicle.

We will arrange a rental car for you. If you arrange your own rental car without our consent, we are not obliged to pay for the rental car you arranged.

We will not pay for:

- the cost of fuel used while driving the rental or loan car; or
- any accidental loss of or damage to the rental or loan car.

Additionally, as part of this option we will reimburse you up to \$2,000 in total for any excess or security bond you have to pay under your rental car agreement because there is accidental loss of or damage to the rental car or it caused loss or damage.

Removal of basic excess for windscreen claims

You may choose to purchase this option which applies when the windscreen, sunroof or window glass in your vehicle is accidentally damaged and it is the only damage to your vehicle.

This option applies to one claim for a windscreen, sunroof or window glass replacement plus two windscreen, sunroof or window glass repairs in any period of insurance.

Selecting this option means that no excess will apply to windscreen replacement or windscreen repairs, for the amount of claims specified above, in any period of insurance.

Tools of trade

You may choose to purchase this option.

When we accept a claim for accidental loss of (including theft) or accidental damage to your vehicle under the policy we will cover accidental loss of (including theft) or accidental damage to tools of trade, trade stock and materials.

The option will only apply if:

- the tools of trade, trade stock or materials are stolen via forcible and violent entry to your securely locked vehicle and/or tool box permanently fixed to your vehicle; or
- if the tools of trade, trade stock or materials are damaged as part of a motor vehicle collision.

There is a maximum amount of \$3,000 that we may pay under this option for any one claim and only the basic excess is applicable to this option.

Please note; there is no additional cost for this option in NSW.

For enquiries
call 131 846
visit tiofi.com.au

