



Motor Insurance Premium, Excess & Discounts Guide

This NRMA Motor Insurance Premium, Excess & Discounts Guide should be read with and forms part of the NRMA Motor Insurance Product Disclosure Statement and Policy Booklet (PDS), prepared on 2 August 2022.

This guide applies to policies issued with a vehicle kept in New South Wales, the Australian Capital Territory, Tasmania or Queensland with a commence date on or after 22 February 2023 or with a renewal effective date on or after 27 March 2023.*

This guide provides further information about the cost of your insurance and excesses you may need to pay if you make a claim.

* This guide also applies to Victorian customers who are identified as being eligible in limited circumstances. Call us on 132 132 for information about policies issued outside New South Wales, the Australian Capital Territory, Tasmania, or Queensland.

HOW WE WORK OUT YOUR PREMIUM

Your insurance premium generally reflects 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 and considering the following:

- Pricing factors
- No Claim Bonus
- Policy options
- Loyalty Discount
- Minimum and maximum premium
- Choice of excess, and
- Government charges.

Other commercial factors affect the premium you pay, including costs associated with operating our business. 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 calculated based on a number of factors, including our updated modelling, your circumstances and wider insurance trends.

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.

Some pricing factors are more significant than others, and the impact may vary according to your circumstances. For motor insurance policies, pricing factors that may be taken into account in determining your premium include a combination of some or all of the following:

- policy type
- level of cover
- optional coverages or benefits you have chosen
- whether you have nominated Agreed Value or Market Value for your vehicle
- any excesses or special conditions that apply
- value of your vehicle including external sources for values and specifications
- age, make and model of your vehicle
- where your vehicle is kept
- what your vehicle is used for
- whether you have finance on your vehicle and the type of finance
- how you choose to pay your premium
- your previous year premium if your policy is a renewal, and
- features including age, gender, driving experience and claims history of the owners and drivers of your vehicle.

This is not an exhaustive list of our pricing factors.

We collect information in relation to these pricing factors from you and other sources and we use our data, models, and experience to assess how important each pricing factor is for your policy. At any time we may change the relative importance of any of the pricing factors or how they combine to affect your premium, and we may add to or remove pricing factors from the calculation as we see fit.

NO CLAIM BONUS

We give you a No Claim Bonus which ranges from 0% to 65% to reward you for your good claims history. Once you reach 65% No Claim Bonus you will also receive associated privileges.

A different No Claim Bonus may apply to each policy that you hold with us. When you first take out each policy, we calculate your policy's No Claim Bonus level based on:

- claims history of you and any other policyholders, and
- number of years you and any other policyholders have been driving for.

If the policy is in a company name, the driving and claims history of each driver will be used to determine the policy's No Claim Bonus.

Your current Certificate of Insurance will show any No Claim Bonus and any benefits that have been applied to your policy. The way in which your policy's No Claim Bonus is applied to your premium is set out in the 'How we calculate your Motor premium' section of this guide on page 7.

The No Claim Bonus levels are:

65%	<p>Claim Free Privilege Life status is achieved once you have held Claim Free Privilege Plus status for 3 claim free periods. Claim Free Privilege Life gives you No Claim Bonus Protection For Life.</p> <p>Claim Free Privilege Plus status is achieved once you have held Claim Free Privilege status for 1 claim free period. Claim Free Privilege Plus gives you free No Claim Bonus Protection.</p> <p>Claim Free Privilege status is achieved once you have held a 60% No Claim Bonus for 1 claim free period. Claim Free Privilege rewards you with our highest level of 65% and the option to pay to add No Claim Bonus Protection.</p>
60%	When you first take out a policy you may qualify for either:
55%	
45%	
35%	
25%	
0%	<p>- a 60% No Claim Bonus – our highest level available for new policies which also comes with the option to pay to add No Claim Bonus Protection, or</p> <p>- a 0–55% No Claim Bonus.</p> <p>You move up one discount level after each claim free period until you reach our maximum 65% No Claim Bonus.</p>

How does No Claim Bonus work?

No Claim Bonus is calculated on each policy, unless your claims history does not entitle you to a No Claim Bonus. Each year at renewal, your policy's No Claim Bonus is recalculated. For each claim free period, your No Claim Bonus will move up one level, until you achieve our maximum 65% No Claim Bonus.

For each non-recoverable claim made since inception of your policy (for a new policy) or the date of your last renewal notice*, your No Claim Bonus will move down one level unless:

- you have chosen to pay to add No Claim Bonus Protection to your policy and it is the first non-recoverable claim since inception of your policy (for a new policy) or the date of your last renewal notice*
- you have achieved Claim Free Privilege Plus status and it is the first non-recoverable claim since inception of your policy (for a new policy) or the date of your last renewal notice*, or
- you have achieved Claim Free Privilege Life status.

What is a Claim Free Period?

A claim free period is the period from inception of your policy to the date of your first renewal notice* (for a new policy) or the period between the date of your previous renewal notice* and the date of the next renewal notice* in which no non-recoverable claims are made.

What is a non-recoverable claim?

A non-recoverable claim is a claim lodged as a result of:

- a collision where you are at-fault or we are otherwise unable to attempt recovery of our costs from another party, or
- a flood, fire, storm, theft or attempted theft or a malicious act.

A claim lodged only for windscreen, sunroof and window glass damage is not considered a non-recoverable claim.

What happens if I make a claim without No Claim Bonus Protection?

For each non-recoverable claim made since inception of your policy (for a new policy) or the date of your last renewal notice* without No Claim Bonus Protection, you move down one No Claim Bonus level. For example:

- if you have 55% No Claim Bonus and made one non-recoverable claim, you would move down to 45% No Claim Bonus, and if you made two non-recoverable claims, you would move down to 35% No Claim Bonus
- if you have 65% No Claim Bonus with Claim Free Privilege status and made one non-recoverable claim, you would move down to 60% No Claim Bonus and if you made two non-recoverable claims, you would move down to 55% No Claim Bonus.

What is the No Claim Bonus Protection option?

If you have 60% No Claim Bonus or 65% No Claim Bonus with Claim Free Privilege status, you are eligible to pay an additional premium to protect your policy's No Claim Bonus level. This means your No Claim Bonus will not move down a level where you make one non-recoverable claim from inception of your policy (for a new policy) or the date of your last renewal notice*. However, you will move down a No Claim Bonus level for each additional non-recoverable claim you make.

What is free No Claim Bonus Protection?

If you have achieved Claim Free Privilege Plus status, you are rewarded with free No Claim Bonus Protection. This means you will retain your Claim Free Privilege Plus status and 65% No Claim Bonus where you make one non-recoverable claim from inception of your policy (for a new policy) or the date of your last renewal notice*. However, if you make two non-recoverable claims you will move down to 60% No Claim Bonus and will continue moving down a further level for each additional non-recoverable claim.

What is free No Claim Bonus Protection For Life?

If you have achieved Claim Free Privilege Life status, your policy's 65% No Claim Bonus is locked in for the life of the policy. This means your 65% No Claim Bonus will not be affected regardless of how many claims you make and you retain your Claim Free Privilege Life status for the life of the policy.

*You can find this date on the bottom of your renewal notice. This may be different to your policy period start date as shown on your Certificate of Insurance.

POLICY OPTIONS

Depending on the type of cover you have chosen, you may add the following policy options to your policy by paying any additional premium that applies:

- Hire Car option
- Windscreen option
- Any Repairer option.

Any options you choose will be shown on your current Certificate of Insurance.

Comprehensive Motor Vehicle

Hire Car option	\$55 (excl Discounts and Government charges)
Windscreen option	\$55 (excl Discounts and Government charges)
Any Repairer option	An additional premium will apply for this option

Comprehensive Motorcycle

Hire Car option	\$50 (excl Discounts and Government charges)
Windscreen option	\$50 (excl Discounts and Government charges)

Comprehensive Plus Motor Vehicle

Any Repairer option	An additional premium will apply for this option
---------------------	--

If you have Comprehensive Plus Insurance your policy will automatically cover you for a hire car after an incident and windscreen damage with no excess.

Cost of choosing to Pay By The Month

If you choose to pay your premium by monthly instalments you may pay more than if you pay annually. Any additional premium when you pay monthly is due to this being a pricing factor and an administrative cost.

Any additional premium you are required to pay will be shown on your current Certificate of Insurance.

LOYALTY DISCOUNT

Your Loyalty Discount is based on how long you have had a relationship with us and how many eligible policies you have. The longer you maintain your continuous relationship with us and the more policies you hold, the higher the discount you could receive.

The way in which your Loyalty Discount is applied to your premium is set out in the 'How we calculate your Motor premium' section of this guide on page 7.

Refer to the following Loyalty Discount table to see what discount you will be entitled to.

Years of Relationship	25+	12.5%	15%	17.5%	20%	22.5%	25%
	10-24	10%	12.5%	15%	17.5%	20%	22.5%
	5-9	7.5%	10%	12.5%	15%	17.5%	20%
	3-4	5%	7.5%	10%	12.5%	15%	17.5%
	0-2	0%	5%	7.5%	10%	12.5%	15%
		1	2	3-4	5-7	8-9	10+
	Policy Count						

To receive a Loyalty Discount, the eligible policies must be current.

If you take out a new eligible policy the Loyalty Discount will be applied to that policy.

For your existing eligible policies any change to your Loyalty Discount generally applies from the next renewal after you qualify.

If you become eligible for an updated Loyalty Discount around the time your existing policies are due for renewal, the updated Loyalty Discount may not be applied to those renewing policies (the updated discount will be applied on the subsequent renewal).

You should contact us if you believe you are eligible for a higher Loyalty Discount on a policy and it is not noted on your Certificate of Insurance.

Your portfolio

To help ensure we are taking into account all of your policies and you are receiving the maximum discount you can check all your policies via your online account nrma.com.au or contact us on 132 132.

For policies with more than one policyholder, your discount is based on the policyholder who has the highest loyalty discount (most eligible policies and longest continuous relationship with us).

Some NRMA Insurance branded policies issued for insured property or assets located in South Australia, Western Australia and the Northern Territory will not contribute to your policy count and will not be eligible to receive a Loyalty Discount. If you have such a policy, you will be told about this on the Premium, Excess and Discounts Guide applicable to that policy.

The following is a list of the policies that:

- contribute to your policy count
- are eligible to receive the Loyalty Discount.

Policies	Policy Count	Discount applied
Motor		
Comprehensive Plus	✓	✓
Comprehensive	✓	✓
Third Party Fire & Theft	✓	✓
Third Party Property Damage	✓	✓
Veteran, Vintage & Classic Vehicle	✓	✓
Home		
Buildings	✓	✓
Contents	✓	✓
Buildings and Contents [#]	✓	✓
Landlord		
Buildings	✓	✓
Contents	✓	✓
Buildings and Contents [#]	✓	✓
On-site Caravan	✓	✓
Touring Caravan	✓	✓
Boat	✓	✓
Trailer	✓	✓
Retail Business Insurance	✓	×
Compulsory Third Party (CTP)*	✓	×
Life Insurance**	✓	×
Income Protection**	✓	×
NRMA Motoring & Services Membership***	✓	×

Policy Count equals 2.

* Applies to CTP policies taken out in NSW and the ACT.

** Applies to policies issued on or before 1 April 2021 and any subsequent renewal of those policies, provided no changes are made.

*** Excludes BusinessWise Memberships. NRMA Membership is provided by National Roads and Motorist Association Limited ABN 77 000 010 506, trading as NRMA Motoring & Services and is separate and independent from NRMA Insurance.

MINIMUM AND MAXIMUM PREMIUM

Your premium, including any discounts you may be eligible for, are subject to minimum and maximum premiums. We consider the minimum and maximum amounts we are prepared to sell the policy for and may adjust your premium to ensure it does not fall outside that range. Any discounts will be applied to your policy, only to the extent any minimum premium is not reached. This means that any discount you may be eligible for may be reduced. When we determine your premium on renewal, we may also limit any increases or decreases in your premium by considering factors such as your previous year's premium amount.

EXCESS

An excess is the amount you contribute towards the cost of your claim.

There are three types of excess:

- Basic
- Age
- Special.

Your current Certificate of Insurance shows the amount and types of excesses that apply to your policy.

The type of excess you need to pay depends on what your claim relates to and who was driving your vehicle. Also, you may need to pay more than one excess.

When you make a claim, an excess may apply. If so, we will:

- deduct the excess from any claim payment, or
- request you pay the excess to us, or to the repairer or supplier.

If we request you pay the excess, we will tell you who to pay and may require payment as part of the finalisation of your claim.

The circumstance(s) when an excess (including a basic excess) does not apply are set out in this Excess section.

Basic excess

If you make a claim, a basic excess may apply. 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	NSW/ ACT	TAS	QLD	VIC
Motor Vehicle Third Party Fire & Theft	\$695	\$450	\$600	\$700
Motor Vehicle Third Party Property Damage	\$695	\$450	\$600	\$700
Motorcycle Comprehensive	\$695	\$450	\$600	\$575
Motorcycle Third Party Property Damage	\$695	\$450	\$600	\$575

You may be eligible to choose one of the following amounts in the table below as your basic excess, if you have:

- Comprehensive Plus Insurance
- Comprehensive Insurance (for any vehicle except a motorcycle).

You reduce your premium if you choose a higher basic excess. You increase your premium if you choose a lower or \$0 basic excess. You should make sure the basic excess you choose is appropriate for you, taking into account your sum insured and the limits of any other benefits or options.

You may choose one of the following amounts as your basic excess:

Comprehensive and Comprehensive Plus Basic Excesses			
NSW/ACT	TAS	QLD	VIC
\$0	\$0	\$0	\$0
\$300	\$450	\$300	\$300
\$695	\$800	\$600	\$700
\$850	\$1,000	\$800	\$825
\$1,000	\$1,500	\$1,000	\$1,000
\$1,500	\$2,000	\$1,500	\$1,500
\$2,000		\$2,000	\$2,000

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.

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 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			
	NSW/ ACT	TAS	QLD	VIC
Motor Vehicle Comprehensive Plus	\$1,600	\$1,200	\$1,600	\$1,600
Motor Vehicle Comprehensive	\$1,600	\$1,200	\$1,600	\$1,600
Motor Vehicle Third Party Fire & Theft	\$1,600	\$1,200	\$1,600	\$1,600
Motor Vehicle Third Party Property Damage	\$1,200	\$1,200	\$1,600	\$1,200
Motorcycle Comprehensive	\$1,600	\$1,200	\$1,600	\$1,600
Motorcycle Third Party Property Damage	\$1,200	\$1,200	\$1,600	\$1,200

If you named an under 25 year old as a driver on your policy:

Disclosed Excess Amounts	Age Excess				
	NSW/ ACT	TAS 16-20 years	TAS 21-24 years	QLD	VIC
Motor Vehicle Comprehensive Plus	\$400	\$400	\$300	\$400	\$400
Motor Vehicle Comprehensive	\$400	\$400	\$300	\$400	\$400
Motor Vehicle Third Party Fire & Theft	\$400	\$400	\$300	\$400	\$400
Motor Vehicle Third Party Property Damage	\$400	\$400	\$300	\$400	\$400
Motorcycle Comprehensive	\$400	\$400	\$300	\$300	\$400
Motorcycle Third Party Property Damage	\$400	\$400	\$300	\$300	\$400

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	NSW/ACT	QLD/TAS	VIC
Motor Insurance	\$400	\$300	\$400

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
- owner or driver incident, claims history
- If you or any driver has had a licence cancelled or suspended.

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 Plus and Comprehensive Motor	Theft or attempted theft	Age excess
Comprehensive Plus and Comprehensive Motor	Storm, flood or fire damage	Age or special excess
Comprehensive Plus and Comprehensive Motor	Vandalism or a malicious act	Age or special excess
Comprehensive Plus and Comprehensive Motor	Damage to the vehicle while it is parked	Age or special excess
Comprehensive Plus and Comprehensive Motor	An incident that we are satisfied was not in any way the fault of you, the driver of, or a passenger in your vehicle and you can provide the name and residential address of a person(s) we are satisfied is at fault	Basic, age or special excess
Comprehensive Plus Motor	Windscreen, sunroof or window glass damage only	Basic, age or special excess
Comprehensive Motor	Windscreen, sunroof or window glass damage only	Basic (only when you have chosen the Windscreen option), age or special excess
Third Party Fire & Theft	Fire	Age or special excess
Third Party Fire & Theft	Theft	Age excess
Third Party Fire & Theft	Crash with an at-fault driver	Age, basic or special excess
Third Party Property Damage	Crash with an uninsured at-fault driver	Age, basic or special excess

Determining fault in an incident

When determining the excess that will apply to your claim, we may need to decide if you or someone else is at fault. To do this we may request reasonable additional information from you – for example witness statements or photographs – and consider any laws, bylaws or rules that apply to the claim circumstances.

If we are not satisfied or unable to determine that someone else was at fault, the excess is payable.

GOVERNMENT CHARGES

Motor insurance policies are subject to stamp duty imposed by state and territory governments in addition to GST.

In addition to stamp duty and GST an amount of your premium is also used by us to pay the Emergency Services Levy (ESL) which funds NSW Emergency Services and the SES.^

Government charges	NSW	ACT	TAS	QLD	VIC
GST	10%	10%	10%	10%	10%
Stamp Duty	5%	0%	10%	9%	10%

^ For policies held in NSW only.

HOW WE CALCULATE YOUR MOTOR PREMIUM

Step 1

First, we combine the pricing factors.

Step 2

Once this amount is calculated we work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 1.

Step 3

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

Step 4

If you have chosen a higher basic excess to reduce your premium this is then applied. If you have chosen to lower or remove your basic excess we will add the additional premium.

Step 5

Then, we add the cost of any options you may have chosen.

Step 6

We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from Step 5.

Step 7

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

**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 a local branch.**

Insurance Australia Limited ABN 11 000 016 722 AFS Licence No. 227681 trading as NRMA Insurance.
GPO Box 244 Sydney NSW 2001

G015746 02/23