



# Caravan & Trailer Insurance Premium, Excess & Discounts Guide

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

This guide applies to policies issued with a caravan or trailer kept in New South Wales, the Australian Capital Territory, Tasmania or Queensland with a commencement 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.

\* Call us on 132 132 for information about policies issued with a caravan or trailer kept outside NSW, ACT, TAS & QLD.

## 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
- Choice of excess
- Policy options
- No Claim Bonus
- Loyalty Discount
- Minimum and maximum premium, 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 caravan and trailer 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
- optional coverages or benefits you have chosen
- the sum insured you have chosen
- any excesses or special conditions that apply
- the address of where your caravan or trailer is kept
- the flood risk of your onsite caravan
- the length of your touring caravan
- the age of your touring caravan
- how your touring caravan is parked – for example, in a garage
- how you use your trailer – for example, private or for business
- if your touring caravan is fitted with Electronic Stability Control (ESC) or a suitable security device
- how you choose to pay your premium
- your previous year's premium if your policy is a renewal, and
- features including age and claims history of the owners and drivers.

### **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.

## POLICY OPTIONS

Optional cover you can add:

- Contents cover
- Annexe cover
- Lay up cover for your Touring Caravan only.

When you add an option to your policy, you need to pay an extra premium for the increased cover we give you. However, you don't pay extra for 'Lay up' cover – it reduces your premium in line with your reduced cover. Any optional covers you choose to add will be shown on your current Certificate of Insurance.

### 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.

## 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 the claims history of you and any other policyholders.

For Touring Caravan and Trailer if the policy is in a company name, the 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 caravan or trailer premium' section of this guide on page 6.

### The No Claim Bonus levels are:

65%	<b>Claim Free Privilege Life</b> status is achieved once you have held Claim Free Privilege Plus status for 3 claim free periods. <b>Claim Free Privilege Life</b> gives you No Claim Bonus Protection For Life.
	<b>Claim Free Privilege Plus</b> status is achieved once you have held Claim Free Privilege status for 1 claim free period. <b>Claim Free Privilege Plus</b> gives you free No Claim Bonus Protection.
	<b>Claim Free Privilege</b> status is achieved once you have held a 60% No Claim Bonus for 1 claim free period. <b>Claim Free Privilege</b> rewards you with our highest level of 65% and the option to pay to add No Claim Bonus Protection.
60%	When you first take out a policy you may qualify for either: <ul style="list-style-type: none"><li>- 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</li><li>- a 0–55% No Claim Bonus.</li></ul> You move up one discount level after each claim free period until you reach our maximum 65% No Claim Bonus.
55%	
45%	
35%	
25%	
0%	

### 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.

## 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.

## 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 caravan or trailer premium' section of this guide on page 6.

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.

## List of business

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](http://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
<b>Motor</b>		
Comprehensive Plus	✓	✓
Comprehensive	✓	✓
Third Party Fire & Theft	✓	✓
Third Party Property Damage	✓	✓
<b>Veteran, Vintage &amp; Classic Vehicle</b>	✓	✓
<b>Home</b>		
Buildings	✓	✓
Contents	✓	✓
Buildings and Contents <sup>#</sup>	✓	✓
<b>Landlord</b>		
Buildings	✓	✓
Contents	✓	✓
Buildings and Contents <sup>#</sup>	✓	✓
<b>On-site Caravan</b>	✓	✓
<b>Touring Caravan</b>	✓	✓
<b>Boat</b>	✓	✓
<b>Trailer</b>	✓	✓
<b>Retail Business Insurance</b>	✓	✗
<b>Compulsory Third Party (CTP)*</b>	✓	✗
<b>Life Insurance**</b>	✓	✗
<b>Income Protection**</b>	✓	✗
<b>NRMA Motoring &amp; Services Membership***</b>	✓	✗

# 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.

## GOVERNMENT CHARGES

Caravan & Trailer 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.<sup>^</sup>

State	Stamp Duty	GST
<b>New South Wales</b>		
On-site caravan	9%	10%
Touring caravan	5%	10%
Trailer	5%	10%
<b>Australian Capital Territory</b>		
On-site caravan	0%	10%
Touring caravan	0%	10%
Trailer	0%	10%
<b>Tasmania</b>		
On-site caravan	10%	10%
Touring caravan	10%	10%
Trailer	10%	10%
<b>Queensland</b>		
On-site caravan	9%	10%
Touring caravan	9%	10%
Trailer	9%	10%

(<sup>^</sup> For policies held in NSW only.)

## EXCESS

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

The types of excess that may apply are:	On-site Caravan	Touring Caravan	Trailer
Basic	✓	✓	✓
Age	✗	✓	✗
Hail or Cyclone†	✓	✓	✓

† Except for policies held in Tasmania.

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

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

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

- deduct the excess from any 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 first taken out based upon the type of policy, however you may be able to choose a higher basic excess (On-site Caravan and Touring Caravan only) – see 'Choice of excess' on this page.

Type of policy	Basic excess
On-site Caravan Insurance	\$200
Touring Caravan Insurance	\$200
Trailer Insurance	\$200

Your basic excess amount will also be shown on your current Certificate of Insurance.

### Choice of excess

You may be able to choose a higher basic excess (On-site Caravan and Touring Caravan only). Choosing a higher basic excess reduces your premium. 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 optional covers.

You can choose one of the following amounts as your basic excess: \$200, \$500 or \$1,000.

Your basic excess amount will be shown on your current Certificate of Insurance.

### Age excess

If you have Touring Caravan Insurance, this excess applies in addition to any other excess when the person driving the motor vehicle which is towing your caravan is under 25 years of age.

The age excess is \$300.

### Hail or cyclone excess

This excess is paid in addition to any basic excess if you make a claim for loss or damage that occurs as a result of hail or a cyclone†.

Type of policy	Hail or Cyclone excess
On-site Caravan Insurance	\$200
Touring Caravan Insurance	\$200
Trailer Insurance	\$200

† Except for policies held in Tasmania.

### When an excess does not apply

You will not have to pay an excess if:

- you make a claim for an incident that we are satisfied was not the fault of you or the person who has your permission to use your on-site caravan, touring caravan or trailer, and
  - you can provide the name and residential address of the person we are satisfied is responsible, and
  - the amount of the claim is more than the basic excess
- your touring caravan or trailer is attached to a motor vehicle you own and the motor vehicle and touring caravan or trailer suffer accidental damage in the same incident, and:
  - you have lodged a claim for your touring caravan or trailer under this policy and we have agreed to pay this claim
  - your motor vehicle is comprehensively insured with us
  - you have lodged a claim under your Comprehensive Motor Vehicle policy and paid any applicable excesses for this claim.

The No Claim Bonus on your Comprehensive Motor Vehicle policy and the No Claim Bonus on your Touring Caravan or Trailer policy may be affected. 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.

## HOW WE CALCULATE YOUR CARAVAN OR TRAILER PREMIUM

### Step 1

First, we combine the pricing factors relating to the product and the Contents or Annexe options if you have chosen them.

### Step 2

Once this amount is calculated, then we add the cost of choosing to pay by the month.

### Step 3

Then, we work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 2.

### Step 4

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

### Step 5

Then, if you have chosen Lay up cover for your Touring Caravan, then we will adjust your premium in line with your reduced cover.

### 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 Caravan & Trailer Insurance Premium, Excess & Discounts Guide, please call us on 132 132 or visit a local branch.**