



**PowerTorque
Insurance**

PREMIUM, EXCESS, AND CLAIMS GUIDE

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INTRODUCTION

This PowerTorque Insurance Premium, Excess, and Claims Guide (Guide) provides further information about how we calculate the cost of your insurance, as well as the excesses that may apply to the PowerTorque Insurance Comprehensive Motor Vehicle policy.

You should read this Guide in conjunction with the PowerTorque Insurance Comprehensive Motor Vehicle policy and Product Disclosure Statement (PDS) and your policy schedule.

If you would like any further information, please call us on 137 800.

HOW WE CALCULATE AND ADJUST YOUR PREMIUM

Premium is the amount you pay us to obtain PowerTorque Insurance Comprehensive Motor Vehicle cover. Your premium will be set out in your policy schedule.

We calculate your premium by taking into account a variety of factors, including the following:

- key pricing factors for the cover selected;
- any policy discounts;
- payments we make to our Intermediaries; and
- government taxes and charges, where applicable.

These factors are described in more detail below.

Pricing factors

Your premium is based on a number of pricing factors including those set out in the following Example pricing factors.

Generally, the higher the likelihood of a claim under your policy, the higher your premium will be. Similarly, the higher the value of your policy, or of our business expenses associated with a claim under your policy, the higher your premium is likely to be.

Please note that the factors identified in the table are example factors only and we may take other factors into account when calculating your premium. The way in which different factors impact your premium may change from time to time.

EXAMPLE PRICING FACTORS	DESCRIPTIONS
Where you live	Your premium will vary based on the area where you live. This is based on a range of factors including accident rates and theft rates.
The vehicle being insured	The premium we charge will take into consideration the characteristics of the range of different vehicles we insure. For example, factors such as vehicle model and age have an effect on repair costs.
The agreed value you choose for your policy	The amount we agree to cover your vehicle for has an impact on your premium.
The purpose for which your vehicle is used	Your premium will be impacted by how you use your vehicle, such as whether it is for business use or rideshare use rather than private use only.
Whether your vehicle was purchased under a finance arrangement	Whether your vehicle is financed or owned outright may have an effect on your premium.
The frequency your premium is paid	We may charge a different premium depending on whether you choose to pay your premium annually or by monthly installments.
The basic excess amount you select	If you increase or decrease the amount of the basic excess for your policy, your premium will also change.
The age, gender, licence, driving and insurance history of all regular drivers who use your vehicle listed on your policy schedule	These factors are all relevant to the likelihood of a claim and the risk we are accepting and may increase or reduce the cost of your premium.
Any discounts for which you are eligible	Subject to sections 'Limitations on discounts and renewal premium calculations' and 'Minimum Premium' of this Guide, if your policy qualifies for a discount, your premium will be reduced.
The optional benefits you have selected	We charge premium for the optional benefits you may choose to include on your policy.

The information you provide is important as it will determine how the risk is assessed and therefore the amount of your premium. You need to check your policy schedule to ensure all information is correct. If the information is not correct, please call us immediately.

Changes in premium

Each time you renew your insurance your premium may vary, even if your personal circumstances have not changed. This is because premiums are affected by many factors including the following:

- the cost we have incurred paying claims;
- our expected cost for future claims;
- changes in government taxes or charges;
- the cost of administering policies and claims; and
- other factors as outlined above.

Please tell us if anything changes in regard to your policy details (for example, change of address or adding a new regular driver) by calling us on **1300 906 350** or emailing **info@powertorqueinsurance.com.au**. We will update our records in response to your request.

For the terms and conditions which apply when you advise us of any changes to your policy details, refer to the section '*Additional Terms and Conditions – Changes to your policy*' in the PDS.

Premium discounts

From time to time we may offer discounts to particular customers as part of a promotion or to respond to market conditions. Any discounts that you qualify for will be included in your total payable premium.

Discounts may be impacted by premium rounding and minimum premiums. Refer to the sections 'Limitations on discounts and renewal premium calculations' and 'Minimum Premium' to find out more.

Limitations on discounts and renewal premium calculations

Our premium calculations are subject to rounding. Any discounts that you qualify for may be affected by rounding, which could result in a slight increase or decrease to the final amount of any discount applied to your policy.

When we determine the renewal premium for your policy, we may adjust the amount we require you to pay based on a comparison to the pricing approach we used for your insurance with us in previous years.

To make this comparison, we refer to:

- the rating factors in place in previous years;
- the impact of adjustments applied to your premium in previous years; and
- your current circumstances at the time we calculate your renewal premium.

As a result of the comparison, we may limit premium movements up or down at renewal.

Minimum Premium

The PowerTorque Insurance Comprehensive Motor Vehicle Insurance policy is subject to a minimum premium, which may result in an adjustment to your premium after all other pricing factors have been applied.

If your policy qualifies for a discount, it will only be applied to the extent any minimum premium is not reached.'

Optional Benefits

The PowerTorque Insurance Comprehensive Motor Vehicle policy offers the following optional benefits:

- Rental car following any accidental damage; and
- Excess-free glass cover.

If you choose to add an optional benefit to your policy, your premium will increase. Your total premium is based on our pricing of the standard cover we provide under your policy, and any optional benefit(s) you select.

Payments we make to our Intermediaries

We will pay commissions and fees to our partners who support the preparation and distribution of the PowerTorque Insurance Comprehensive Motor Vehicle policy. These payments come out of your premium and will affect the amount you pay.

Government charges

Your premium includes any compulsory government charges, taxes and levies in relation to your policy (for example, stamp duty and GST) imposed by the applicable federal, state and territory governments.

An excess is the first amount you may have to pay towards the cost of a claim before we provide any benefits under your policy. The amount and types of excesses applicable to your policy are shown on your policy schedule and described in the section *'What you must pay in the event of a claim – Excess'* in the PDS.

Types of excess

The following five types of excess are payable by you when they apply to your claim:

- Basic excess;
- Age excess;
- Licence excess;
- Special excess; and
- Undisclosed driver excess.

The excess payable for any claim will be the total of applicable excesses added together, depending on the circumstances of the claim. For situations where you may not have to pay the above types of excesses, refer to the section *'Excess – When is an excess not payable?'* of this Guide.

Basic excess

The basic excess is the amount that applies to each claim that you make on your policy and will be payable by you unless the claim is a recoverable claim or the excess is waived in accordance with any other terms or conditions of your policy.

You may select the amount of basic excess applicable to your policy, within the parameters we allow. The minimum and maximum basic excess amount you may select varies depending on the state or territory you normally reside at the time of claim. The basic excess amount you have selected will be shown on your policy schedule and is payable in addition to all other applicable excesses when we accept your claim.

Age excess

The age excess applies if at the time of the accident, the driver of your vehicle was **under 25 years old**. The amount of the age excess is \$700 and is payable in addition to all other excesses (except the licence excess) when we accept your claim.

Licence excess

The licence excess is imposed in situations **where the age excess does not apply** and will be applied where, at the time of the accident, the driver:

- has held an Australian driver's licence for less than 2 years; or
- is the holder of an overseas, probationary or provisional licence.

The amount of the licence excess is \$700 and is payable in addition to other excesses (except the age excess) when we accept your claim.

Special excess

The special excess may apply where your particular circumstances impact the risk covered by your policy. For example, we may apply a special excess to your policy:

- if you have added performance modifications to your vehicle, which may increase the cost of repairs following a claim; or
- because of the driving, criminal or insurance history of you or any regular driver listed on your policy schedule.

Any applicable special excess will be shown on your policy schedule and is payable in addition to all other excesses when we accept your claim.

Undisclosed driver excess

The undisclosed driver excess applies to any claim where, at the time of an accident, the driver was:

- **under 25 years of age**; and
- **was not nominated as a driver** on your policy schedule or renewal notice.

The undisclosed driver excess is \$1,000 and is payable in addition to all other excesses (including the age excess) when we accept your claim.

When is an excess not payable?

You don't need to pay any excess if:

- you provide us with the full names, current residential addresses, and vehicle registration numbers of all persons involved in the accident; and
- the information we receive from you and other parties about the accident shows that:
 - the accident was caused by another person; and
 - you or the driver of your vehicle did not contribute to the cause of the accident.

If this occurs, this is called a '*recoverable claim*' because we may be able to recover what we pay you from the person who is at fault or their insurer.

If you pay an excess and information is later made available to us which shows this should not have been payable, we will reimburse the excess you paid.

Notwithstanding the above, if your policy includes the optional '*Excess – free glass cover*' benefit, you will not be required to pay any excess for the first glass replacement or first two glass repair claims you make where glass breakage is the only damage sustained to your vehicle during the period of cover. Refer to the section '*Optional Benefits – Excess-free glass cover*' in the PDS to find out more.

You will not have to pay any **age excess**, **licence excess** or **undisclosed driver excess** if you are claiming for any of the following:

- theft or attempted theft;
- loss or damage caused by an animal or a weather event such as flood, hail or storm;
- fire;

- malicious damage;
- damage to your vehicle while it was parked; or
- glass cover claims (where glass breakage is the only damage sustained to your vehicle).

Furthermore, if your vehicle is being driven by or in the charge of a learner driver you will not have to pay the **undisclosed driver excess**, but any **age excess** or **licence excess** payable in the event of a claim will be that applicable to the licensed driver providing the instruction. Refer to the section '*The protection we provide – Driving instruction cover*' in the PDS to find out more.

How is an excess applied to your claim?

When you make a claim, you must pay the applicable excess.

If you do need to pay an excess, we will advise you whether this amount is to be:

- paid by you to the repairer or supplier when you collect your vehicle after it has been repaired;
- paid by you to us when we request it; or
- deducted from the amount we pay you.

More than one excess may apply, depending on the circumstances of the claim. However, not all claims attract an excess. Refer to the section '*What you must pay in the event of a claim – When is an excess payable?*' in the PDS to find out more.

What happens when the amount of your claim is less than the amount of your excess?

We will only accept a claim where the amount being claimed is more than the applicable excess.

FINANCIAL CLAIMS SCHEME

This policy may be a 'protected policy' for the purposes of the Federal Government's Financial Claims Scheme (FCS). The FCS is administered by the Australian Prudential Regulation Authority (APRA). We are licensed and authorised to provide general insurance by APRA.

In the unlikely event of an insurer authorised by APRA, such as us, becoming insolvent, the Federal Treasurer may make a declaration that the FCS applies to that insurer. If the FCS applies, as a policyholder, you may be entitled to have valid claims paid under the FCS. Access to the FCS is subject to eligibility criteria.

Information about the scheme can be obtained from the FCS website at **fcs.gov.au**

CONTACT DETAILS

For information regarding your policy or to make a claim:

Phone: **1300 906 350**

Mail: **PowerTorque Insurance**


PO Box 7212

Melbourne VIC 3004

Email: **info@powertorqueinsurance.com.au**

Web: **powertorqueinsurance.com.au**

To enquire about additional insurance needs, call us on **137 800**.

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