



CAR INSURANCE PREMIUM, EXCESS AND DISCOUNTS GUIDE

This CGU Car Insurance Premium, Excess and Discounts Guide should be read with and forms part of the CGU Car Insurance Product Disclosure Statement and Policy Booklet (PDS) prepared on 01 November 2023.

It applies to all policies with a commencement date on or after 01 November 2023 or with a renewal effective date on or after 01 November 2023.

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

How We work out Your Premium

The pricing of each policy We issue is unique to the individual purchasing the policy and the factors set out in this document at the time the policy is issued. The weight and value of each factor may change over time and as Your personal circumstances change.

Two of the most important factors in determining Your insurance Premium are the likelihood of a claim being made on Your Policy in the future and the anticipated cost of a claim if one were to occur. There are many additional commercial aspects We take into account when determining Your Premium. How important these commercial aspects are and how they work together to affect Your Premium will differ between people. These other commercial aspects that affect the Premium You pay include the costs of operating Our business, intermediated commissions (where applicable), expected profits, market forces and competition, and the operation and funding of any discounts, marketing offers, taxes and charges.

We calculate Your Premium by combining and considering some or all of the following:

- Pricing factors;
- Choice of Excess and Policy options;
- Discounts;
- Minimum and maximum Premium; and
- Government charges.

Your Premium is likely to change each time You renew Your Policy even if Your personal circumstances are the same as before because the Premium is affected by other things including Our updated modelling, market inflation, Your circumstances, wider insurance trends and other commercial considerations. We also consider Your previous Premium and may take steps to limit the change in Your Premium at renewal.

Pricing factors

Our experience shows there are a number of factors that are a good indicator of the possibility of a claim being made and/or the cost of a claim if one were to occur. We call these 'pricing factors'. Some pricing factors are more significant than others, and significance may vary according to Your circumstances. For car 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 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;
- any Modifications, options or Accessories that are attached to Your Vehicle;
- where Your Vehicle is kept;
- what Your Vehicle is used for;
- whether You have finance on Your Vehicle;
- the annual kilometres Your Vehicle is driven;
- Your previous year Premium if Your Policy is a renewal;
- claims history of the drivers of Your Vehicle and/or the Vehicle You drive; and
- features including age, gender and driving experience.

This is not an exhaustive list of Our pricing factors.

We collect information in relation to these factors from You and other sources and We use Our data, models, and experience to assess how important each 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 require.

Choice of Excess and Policy options

If You have chosen a higher Vehicle Excess, this may reduce Your Premium. If You have chosen to lower or remove Your Vehicle Excess, this may increase Your Premium. You should make sure the Vehicle Excess You choose is appropriate for You, taking into account Your sum insured and the limits of any additional benefits or optional benefits.

Depending on the type of cover You have chosen, You may add optional benefits to Your Policy by paying any additional Premium amount that applies. The optional benefits available under Your Policy are shown in the Product Disclosure Statement and any optional benefits You have chosen will be shown on Your Certificate of Insurance.

Discounts

If more than one discount applies to Your Policy, We will usually apply any subsequent discount in a predetermined order to the already discounted Premium. For example, if You are eligible for two 10% discounts, the second discount will apply to the already discounted Premium. This means the discounts are applied one at a time, after each other, in a particular order, as opposed to adding them together and applying them as a 20% discount.

While we offer discounts at renewal, the discounted renewal Premium is not directly comparable to the Premium a new customer might receive. The discounted renewal Premium is comparable to an otherwise identical renewal Policy without the discounts applied.

The amount and type of any available discounts may be changed or withdrawn at Our discretion at renewal. We may change or withdraw those discounts without notice. Any discounts may be subject to rounding.

If You have any questions about the discounts that are available to You, and how we have applied these to Your Policies, please call us on 1300 943 690 to discuss with one of Our consultants.

Campaigns and other discounts

We may offer discounts as part of a marketing campaign or other arrangement. Separate terms and conditions may apply to such campaigns and other discounts, including that You may not be eligible for those campaigns and other discounts and that some campaigns and other discounts may only be available on new Policy purchases.

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. 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. This means that any discount You may be eligible for may be reduced.

Government charges

Premiums for car insurance policies are subject to Commonwealth and state taxes and/or charges which include stamp duty and Goods & Services Tax. Any government charges forming part of Your Premium will be shown on Your Certificate of Insurance.

Excess

An Excess is Your contribution towards the cost of a claim. Your Certificate of Insurance shows the type of Excess(es) that applies to Your Policy and the amount of the Excess(es). We may apply more than one type of Excess. We will tell You if You need to pay an Excess, or more than one Excess. 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. You cannot pay an additional Premium to remove any Excess from Your Policy.

There are four types of Excess that may apply to Your Policy:

- | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Vehicle Excess – this applies to most claims under the Policy; |
| <ul style="list-style-type: none"> • Driver Excess – this applies in addition to the Vehicle Excess when a person specified with a Driver Excess on the Certificate of Insurance is driving Your Vehicle; |
| <ul style="list-style-type: none"> • Undisclosed Driver Excess – this applies in addition to the Vehicle Excess when a person 25 years of age or older who is not listed as a driver on the Certificate of Insurance is driving Your Vehicle; and |
| <ul style="list-style-type: none"> • Undisclosed Driver Age Excess – this applies in addition to the Vehicle Excess when a person less than 25 years of age who is not listed as a driver on the Certificate of Insurance is driving the Vehicle. |

Vehicle Excess

If You make any type of claim You must pay the Vehicle Excess that applies. The Vehicle Excess will be shown on Your Certificate of Insurance.

In some circumstances a Vehicle Excess does not apply – see the “When an Excess does not apply” section for details.

We determine the Vehicle Excess that will apply at the time Your Policy is taken out based upon the type of insurance You have chosen, the make and model of Your Vehicle and the State or Territory in which Your Vehicle is used.

Driver Excess

This Excess is paid in addition to any Vehicle Excess if it is shown for a driver specified with a Driver Excess on the Certificate of Insurance. The Driver Excess will be shown on Your Certificate of Insurance. The Driver Excess takes into account the specified driver’s age, driving experience, claims history and licence cancellation or suspension. A Driver Excess will apply to a learner driver who is accompanied by a fully licensed driver who is specified with a Driver Excess on the Certificate of Insurance.

Undisclosed Driver Excess

This Excess is paid in addition to any Vehicle Excess when the driver of Your Vehicle is 25 years of age or older and is not listed as a driver on the Certificate of Insurance. The Undisclosed Driver Excess will be shown on Your Certificate of Insurance. The Undisclosed Driver Excess will apply to a learner driver who is accompanied by a fully licensed driver who is 25 years of age or older and who is not listed as a driver on the Certificate of Insurance.

Undisclosed Driver Age Excess

This Excess is paid in addition to any Vehicle Excess when the driver of Your Vehicle is less than 25 years of age and is not listed as a driver on Your Certificate of Insurance.

The Undisclosed Driver Age Excess will apply to a learner driver who is accompanied by a fully licensed driver who is less than 25 years of age and who is not listed as a driver on Your Certificate of Insurance.

When an Excess does not apply

You will not be required to pay one or more Excesses in the following circumstances:

If You have cover for	If You make a claim for	Then You will not need to pay
Comprehensive	<ul style="list-style-type: none"> • theft or attempted theft; • vandalism or a malicious act; • loss or damage from storm, flood or fire; or • damage to Your Vehicle while it is parked 	<ul style="list-style-type: none"> • a Driver Excess; • Undisclosed Driver Excess; or • Undisclosed Driver Age Excess
Comprehensive	<ul style="list-style-type: none"> • an incident that We are satisfied was not in any way the fault of You, the driver of Your Vehicle or a passenger in Your Vehicle and You can provide the name and residential address of the person We are satisfied is at-fault 	<ul style="list-style-type: none"> • any Excess
Comprehensive	<ul style="list-style-type: none"> • windscreen, window glass, sunroof or moonroof damage 	<ul style="list-style-type: none"> • any Excess, only if You are entitled to the relevant ‘Excess free glass extension’ optional benefit

Third Party Fire and Theft	<ul style="list-style-type: none"> • loss or damage from fire or theft or attempted theft; 	<ul style="list-style-type: none"> • Driver Excess; • Undisclosed Driver Excess; or • Undisclosed Driver Age Excess
Third Party Fire and Theft	<ul style="list-style-type: none"> • 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 the person(s) We are satisfied is at-fault 	<ul style="list-style-type: none"> • any Excess
Third Party Property Damage	<ul style="list-style-type: none"> • 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 the person(s) We are satisfied is at-fault and the person We are satisfied is at-fault is uninsured 	<ul style="list-style-type: none"> • any Excess

In order for Us to resolve whether You or someone else is responsible for an incident, We may request additional information – for example, witness statements or photographs – and consider any laws, bylaws or rules that apply to the claim circumstances.

If there is anything You don't understand about this CGU Car Insurance Premium, Excess and Discounts Guide, please contact Us on 1300 943 690 or visit cgu.com.au