

Veteran, Vintage and Classic (VVC) Vehicle Insurance Premium, Excess & Discounts Guide

This RACV VVC Vehicle Insurance Premium, Excess & Discounts Guide should be read with the RACV VVC Vehicle Insurance Product Disclosure Statement and Policy Booklet (PDS), prepared on 19 May 2019.

It applies to policies issued for vehicles kept in Victoria with a commencement date on or after 19 May 2019 or with a renewal effective date on or after 30 June 2019.*

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

* Call 1800 646 605 for information about policies issued for a vehicle kept outside Victoria.

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 the:

- ▶ Pricing factors
- ▶ Discounts
- ▶ 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 on our updated modelling, based on 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.

The following table describes some of the pricing factors we may take into account to determine your premium.

Pricing Factors	VVC Vehicle Insurance
Your vehicle	✓
The amount your vehicle is insured for as shown on your Certificate of Insurance	✓
The age and gender of owners and drivers of your vehicle	✓
The address where your vehicle is kept	✓
Where your vehicle is usually parked overnight	✓
The way you use your vehicle, for example, private or business use	✓
How frequently you use your vehicle	✓
The type of registration on your vehicle	✓

Discounts

Your policy may be eligible for the following discounts:

- ▶ Multi-Policy Discount
- ▶ Years of Membership Benefit.

We calculate the discounts that apply to your policy before we tell you what your premium will be. Please see the 'Discounts' section of this guide on page 3 for further details.

Excess

An excess is an amount you pay when you lodge a claim. The amount and types of excess(es) payable are shown on your current Certificate of Insurance. You may have to pay more than one type of excess depending on your circumstances.

There are three types of excess(es):

- ▶ Basic
- ▶ Age
- ▶ Special.

Basic excess

If you make any type of claim you must pay the basic excess that applies to your policy. The basic excess for a VVC Vehicle Insurance policy is \$300, however, you may be able to choose a different basic excess – see 'Choice of excess' below.

Choice of excess

You can choose a different basic excess amount to the one we determine when you first take out a policy or when you renew your policy. During your policy period, you can also choose to increase your basic excess.

If you choose a higher basic excess, you can reduce your premium and if you choose a lower basic excess you will pay an additional premium.

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

Basic excess levels
\$0
\$300
\$500
\$750
\$1,000
\$1,500
\$2,000

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 and owner or driver incident, claims or traffic offence history.

The amount of the special excess will be shown on your current Certificate of Insurance and is generally double your basic excess.

A special excess is payable in addition to your basic or age excess where applicable.

You cannot pay an additional premium to remove a special excess.

Age excess

This excess is paid in addition to any basic excess and applies to:

- ▶ any driver under 25 years of age, 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 explains what age excess may apply at the time of a claim:

If you have named an under 25 year old as a driver on your policy the age excess is \$300.

If the driver of your vehicle is under 25 years of age and you have not named an under 25 year old driver on your policy the age excess will be \$1,600.

You cannot pay an additional premium to remove an age 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:

If you make a claim for	Then you will NOT have to pay an
Theft or attempted theft	Age or special excess
Windscreen, sunroof or window glass damage only	Age or special excess
Storm, flood or fire damage	Age or special excess
Vandalism or a malicious act	Age or special excess
Damage to the vehicle while it is parked	Age or special excess
An incident that we agree was not in any way the fault of you, the driver of, or a passenger in your vehicle and <ul style="list-style-type: none"> ▶ you can provide the name and residential address of a person(s) we agree is at fault ▶ the amount of the claim is more than any basic excess 	Basic, age or special excess

Government charges

Insurance policies are subject to stamp duty imposed by State and Territory Governments in addition to GST.

Government Charges	VVC Vehicle Insurance
GST	10%
Stamp Duty	10%

How we calculate your premium

Step 1

First, we will combine the pricing factors.

Step 2

If you have chosen:

- ▶ a higher basic excess we will apply a reduction to your premium
- ▶ to reduce or remove your basic excess we will add an additional premium.

Step 3

We then work out any Multi-Policy Discount that you may be eligible for and apply this to the amount from Step 2.

Step 4

We apply any Years of Membership Benefit you may be eligible for to the amount in Step 3.

Step 5

We then add applicable government charges to work out the premium you need to pay.

Discounts

You may be entitled to the discounts on this page.

The way in which the discounts are applied to your premium is set out in the 'How we calculate your premium' section of this guide on page 3.

Multi-Policy Discount

A Multi-Policy Discount rewards you for holding multiple RACV policies.

See if you qualify for a Multi-Policy Discount[#] below:

How to qualify	Multi-Policy Discount
Hold two or more of the following: Home, Landlord, Motor, Boat, Caravan & Trailer or VVC Vehicle Insurance.	Save 10% On your Home, Landlord, Motor, Boat, Caravan & Trailer or VVC Vehicle Insurance.

To receive the Multi-Policy Discount, the qualifying products must:

- ▶ be current, and
- ▶ have at least one common insured named on each policy.

On existing policies, the discount applies from the date of the next renewal after you qualify.

The way in which your Multi-Policy Discount is applied to your premium is set out in the 'How we calculate your premium' section on page 3.

Excludes Travel, Business, Farm, Single Item and Pet Insurance products.

Years of Membership Benefit

This discount applies to all Veteran, Vintage and Classic Vehicle Insurance[#].

We reward you with a Years of Membership discount which is linked to the colour of your RACV membership card. RACV Years of Membership Benefit increases the longer you are with us.

Membership Card Colour	Years of Membership	Annual Discount
Blue	0-4 years	0%
Bronze	5-9 years	5%
Silver	10-24 years	10%
Gold	25-50 years	15%
Gold 50	51 years or more	20%

Excludes Travel, Business, Farm, Single Item and Pet Insurance products.

The way in which your Years of Membership Benefit is applied to your premium is set out in the 'How we calculate your premium' section of this guide on page 3.

If there is anything you don't understand about this RACV VVC Vehicle Insurance Premium, Excess & Discounts Guide, please call us on 1800 646 605 or visit your nearest RACV Shop.