

## Bingle Comprehensive Car Insurance Premium, Excesses & Claims Guide

The purpose of this Bingle Comprehensive Car Insurance Premium, Excesses & Claims Guide (**Guide**) is to provide you with further information about the excesses that may apply to the Bingle Comprehensive Car Insurance Policy (**Policy**), as well as explain how we calculate premiums for, and pay claims under, the Policy.

You should read this Guide together with our Comprehensive Car Insurance – Product Disclosure Statement (**PDS**) with a preparation date of 5 April 2011. This Guide applies to brand new policies purchased on or after 23 May 2011 or existing policies renewed on or after 18 June 2011. It also applies to any changes that you've agreed to make to your existing policy after 23 May 2011.

### 1. How does Bingle calculate your Policy premium?

When you apply for Bingle Comprehensive Car Insurance, we will always ask you some important questions about your car as well as the driving and claims history of those who will drive it. We will also ask you questions such as how you would like to pay for your Policy.

Once you have told us the information we need, we will assess it based on what we call pricing factors. We take a number of pricing factors into account when we calculate your Policy premium.

In the table below we display the main pricing factors, and the likely effect they have on a Bingle Comprehensive Car Insurance Policy premium.

Main pricing factors	Likely effect on the car insurance premium
The amount we agree to insure the car for.	The lower the amount we agree to insure the car for, the lower the premium is likely to be.  An amount covered that is higher than the current market value of the car may result in a higher premium.
The car - including its age, make, model.	The premium is likely to be lower for cars that are not high performance, have a lower claims frequency rate, lower average repair and parts costs and are not commonly the target of theft.
How the car is garaged overnight.	The premium is likely to be lower if the car is kept in a locked garage rather than parked on the street overnight.
The postcode where the car is kept overnight.	The premium is likely to be lower if the car is kept overnight in a postcode that has a lower claims frequency rate and cost than other postcodes.
Whether the car is under finance.	The premium is likely to be lower if the car is not under finance.
The age and gender of the main driver.	The older the main driver is, the lower the premium is likely to be. The premium for a female main driver is likely to be lower than an equivalent male main driver.
Whether the premium is paid by instalments.	The premium will be lower if it's paid upfront in full rather than by instalments.

Main pricing factors	Likely effect on the car insurance premium
The main driver's claims history.	The premium is likely to be lower if the main driver of the car has not had insurance claims in the past three years.
How long the current owner has owned the car.	The premium is likely to be lower the longer the current owner has owned the car.

We may also take other pricing factors into account, as well as our experience of the incidence and cost of the claims we pay under the comprehensive car insurance we provide. As a general rule, the more likely an event we cover is to occur, the higher the premium we will charge to cover it. Similarly, the more the event costs, the higher our premium is likely to be. The premium also includes our cost of providing and administering your Policy, including the management of any claims on your Policy. Bingle is always working hard to keep that cost low.

Once we have assessed your request for comprehensive car insurance against all of our pricing factors, we can calculate a risk-based premium that fairly represents the risk you would like us to cover.

Pricing an insurance policy correctly is important to us, since we insure many cars and need to make sure that the total premiums we receive are always enough to pay for all of the claims our customers make.

#### What about government taxes and charges?

Bingle shows government taxes and charges on any receipt we send you. The comprehensive car insurance risk premium we charge you is subject to the following taxes and charges:

Fire Services Levy	This levy only applies in New South Wales.
Stamp Duty	The rate of this duty varies and is set by your state or territory government.
GST	The rate of GST is set by the Federal Government. It is currently 10%.

When we add these taxes and charges to your risk-based premium, we will always add any fire services levy first, then GST and then any stamp duty.

#### What about discounts?

Bingle doesn't start with higher prices just so we can lower them with discounts. The price we offer you will be our best price. It will be based on the insurance risk you have asked us to cover and may take into account current market conditions.

#### Total premium

Your total premium is made up of the risk-based premium, less any discounts that apply, plus any applicable government taxes and charges. Our receipt will always show the premium you paid us.

When we offer to renew your policy, the premium we offer is likely to be different to what you paid last time, even if your personal circumstances haven't changed. This is because the effects of some or all of the pricing factors that we take into account are likely to have changed. Changes to government taxes and charges can also impact your renewal premium.

If you have any questions about how we calculate your comprehensive car insurance premium, please email us at anytime at [bingle@bingle.com.au](mailto:bingle@bingle.com.au)

## 2. What excesses apply when you make a claim?

An excess is the amount that you must first contribute towards each claim you make on your Policy. If your claim is for more than one occurrence, you'll need to pay the excess(es) applicable to each occurrence. The excess(es) you will need to pay to claim on your Policy will depend on whether your car was being driven at the time of the incident (and who was driving it) or whether it was damaged when it wasn't being driven.

A Bingle Comprehensive Car Insurance Policy has three types of excess. They are described below and further explained in the table that follows.

The three types of excess are:

**(a) Excess if driver is listed**

This excess applies if your car was driven at the time of the accident by a driver shown on your policy schedule as a listed driver. The dollar value of this excess is dependent on where the policyholder lives and the driver's age.

**(b) Excess if driver not listed**

This excess applies if the car was driven at the time of the accident by a driver that's not listed in your policy schedule as a listed driver. The dollar value of this excess is dependent on where the policyholder lives and the not listed driver's age.

**(c) Excess where car was not being driven**

This excess applies if the claim is for an event that didn't arise from the car being driven. For example if the car was stolen or damaged whilst parked unattended.

Here is how the dollar values of these excesses differ, depending on claim type and where the policyholder lives:

Location	Listed driver 25 year and over	Not listed driver 25 years and over	Listed driver 24 years and under	Not listed driver 24 years and under	Excess when car not being driven
NSW/ACT	\$550	\$950	\$1,450	\$2,250	\$550
VIC	\$500	\$900	\$1,100	\$1,900	\$500
QLD	\$500	\$900	\$1,100	\$1,900	\$500
SA	\$400	\$800	\$900	\$1,700	\$400
TAS	\$350	\$750	\$850	\$1,650	\$350
WA	\$350	\$750	\$850	\$1,650	\$350
NT	\$350	\$750	\$850	\$1,650	\$350

One of the above excesses will always apply when a claim is made on your Bingle Policy.

See page 14 of the PDS, as well as the actual excesses shown on your policy schedule, for full information about the excesses that apply to your Policy. The PDS explains when and how these excesses are to be paid and in what circumstances an excess will be refunded.

The next section of this Guide shows examples of claim payments, which include excess payments.

### 3. How does Bingle pay a comprehensive car insurance claim?

When you make a claim on your Policy we will ask you questions about what you are claiming for. We may also ask you to provide us with documents to support your claim or ask you to explain what has happened in person.

Once we have all of the information we need to assess your claim, we will consider what you have claimed for against the Policy cover you have purchased. Each of the covers under the Policy has a maximum payout limit. These limits are shown either in the PDS or on your policy schedule.

We will ask you to pay your excess and check that your claim is in order. Depending on how we decide to settle your claim, we may make a payment directly to you (or to the person who owns the car), or to the provider of the goods or services, or to someone who has claimed against you.

In the rare instance that we do not accept your claim, we will always tell you why and give you information about how you can have our decision reviewed, at no cost to you.

### Claim payment examples

The following claim payment examples show how Bingle pays the most common types of comprehensive car insurance claims. They are only examples; Bingle determines real claim payments on an individual basis, after we have assessed each claim.

Index of claim payment examples:

- a) A claim for accident damage to your car that can be repaired, and a legal liability claim against you
- b) A claim for accident damage to your car that writes it off
- c) A claim for the theft of your car (when you have been paying your policy by the month)

Notes about the claim payment examples:

- **Bingle always requires the claim excess to be paid at the time of claim lodgement, before we provide any policy benefits.**
- All examples (including excesses) are based on a policyholder living in **New South Wales**.
- All amounts are shown in Australian dollars and are GST-inclusive.
- All examples assume that the policyholder is not registered for GST.
- You should read the PDS and your policy schedule for full details of what Bingle covers as well as what policy limits, excesses and exclusions apply.

#### 3(a) A claim for accident damage to your car that can be repaired, and a legal liability claim against you

Your car is comprehensively insured for an amount covered of \$10,000. You have paid your premium in one annual payment. Your driver excess is \$550 since you are a listed driver and 31 years old. Your car is damaged when you reverse into a parked car, whilst trying to squeeze into a car park spot. You exchange details with the other car's owner, who was nearby.

You lodge your claim with Bingle and pay us your \$550 excess. We organise for your car to be assessed and determine the cost of your repairs to be \$2,498. We tell you which repairer will repair your car and you drop your car off on a Monday morning. Your repairs take four days and you pick up your repaired car on Friday morning.

We contact the other car's owner and organise for their car to be assessed and repaired. It costs us \$1,890 to repair their car.

We would calculate our claim payments on the following basis:

How much we pay	Additional information	What policy limits apply?
\$2,498	We pay the repairer of your car for the full cost of the authorised repairs.	We cover your car for accidental damage up to the amount covered that's shown on your policy schedule. In this example the amount covered is \$10,000.
\$1,890	We pay the repairer of the car you collided with for the full and fair cost of that car's repairs.	We cover the cost of accidental damage caused by your car to other people's property. We pay up to \$20 million for all claims arising from the one event.
<b>Payment: \$4,388</b>	<b>This is the total amount we pay to the repairers of both cars. Taking into account the \$550 excess you have paid us, this claim costs Bingle \$3,838.</b>	

In the above example our payment is based on the following sections of the Policy:

- Accidental loss (page 10)
- Legal liability (page 10)
- Towing costs (page 15)

### 3(b) A claim for accident damage to your car that writes it off

Your car is comprehensively insured for an amount covered of \$30,000. You paid your premium in one annual payment. Your driver excess in this example is \$1,450 as your 23 year-old sister was driving your car. She was a listed driver on your policy. When driving on a wet road at night, your sister lost control and collided with an embankment and a small tree. Luckily she wasn't injured; however your car didn't fare as well. It needed to be towed from the accident scene. It was first towed to a holding yard (tow cost \$230). After you lodged your claim we towed your car to our assessment centre (tow cost \$75). Our assessor determined that your car wasn't economical for Bingle to repair, as it was extensively damaged. You tell us that you don't want to keep any part of your damaged car (known as the 'salvage'), so we keep it. Since there is no finance on your car, we calculate your write off payment as the amount covered of \$30,000, less your \$1,450 claim excess. This means we pay you \$28,550.

Since Bingle has settled your write off claim, your policy comes to an end. When you purchase a new car, you'll need to organise a brand new insurance policy.

We would calculate our claim payments on the following basis:

How much we pay	Additional information	What policy limits apply?
\$230	We pay for the towing fee from the scene of the accident to a holding yard.	We pay for the reasonable cost of towing your car, if it can't be safely driven, to a place of safety. In this case our assessment centre.
\$75	We pay for the towing fee from the holding yard to our assessment centre.	
\$28,550	Since your car is a write-off we pay you its amount covered. In this example it is \$28,550 since an excess of \$1,450 applies.	<p>Bingle always insures your car for a set amount covered. When we agree that it is a write-off, we will pay the amount covered that is shown on your policy schedule, less the applicable claim excess.</p> <p>The amount covered may also be reduced by:</p> <ul style="list-style-type: none"> <li>i) the value of any unpaid premium at the time we make our payment; and</li> <li>ii) the value of your damaged car (or any part of it) if you wish to keep it.</li> </ul> <p>Depending on where you live we may also reduce your amount covered payment by the value of the unexpired portion of your car's registration and CTP insurance premium. This is because in some parts of Australia you are entitled to collect these unused amounts from the Road Authority and your CTP insurer.</p> <p>If your car is under finance we will first pay the financier what you owe and then pay you any remaining balance.</p>
<b>Payment: \$28,855</b>	<b>This is the total amount we pay to various parties, including you, to settle your claim.</b>	

In the above example our payment is based on the following sections of the Policy:

- Accidental loss (page 10)
- Towing costs (page 15)
- When we decide your car is a write-off (page 17)
- What happens to your policy and your car when we pay the amount covered (page 17)

### 3(c) A claim for the theft of your car

You are a 24 year-old female and your four year old Mazda 3 is insured for an agreed value of \$17,000. You pay us your premium by monthly instalments and your car is not financed with any lender. You park your car outside your work and when you return it's missing. There is only some broken glass nearby. You immediately call the police to report the theft and after obtaining a NSW police incident number, you lodge your claim with Bingle.

**Remember:** page 17 of the PDS explains that you must contact the police and Bingle as soon as you think your car has been stolen.

When you lodge your claim you pay us your non-driving excess of \$550. Your excess is payable whether your car is found or not. We will only refund it in the rare situation where the police catch the person who stole it and that person is convicted of the theft and we are successful in recovering what we have paid you and the value of your excess.

As part of your claim we speak to you about the circumstances of the theft of your car and ask you to provide us with documents that show you own it. After 14 days your car has not been found. Bingle is satisfied that your claim is in order and agrees to settle your claim. We settle your claim by paying you the amount covered, less your outstanding premium instalments for the remainder of the period of cover in which you made your claim. In this example that means \$17,000 less \$250, so we pay you \$16,750.

**Also remember:** page 17 of the PDS explains that there is no refund of any portion of the premium when we write-off a car. In this case you haven't paid us your full annual premium, so we deduct your outstanding unpaid premium from our payment.

Since Bingle has settled your write off claim, your policy comes to an end. When you purchase a new car, you'll need to organise a brand new insurance policy.

We would calculate our claim payments on the following basis:

How much we pay	Additional information	What policy limits apply?
\$16,750	<p>We calculate your amount covered by taking the amount we insure your car for (\$17,000), and in this example, subtract your unpaid premium instalments (\$250).</p> <p>You have already paid us your \$550 excess.</p>	<p>Bingle always insures your car for a set amount covered. When we agree that it is a write-off and you have paid us your claim excess, we will pay the amount covered that is shown on your policy schedule.</p> <p>The amount covered may be reduced by:</p> <ul style="list-style-type: none"> <li>iii) the value of any unpaid premium at the time we make our payment; and</li> <li>iv) the value of your damaged car (or any part of it) if you wish to keep it.</li> </ul> <p>Depending on where you live we may also reduce your amount covered payment by the value of the unexpired portion of your car's registration and CTP insurance premium. This is because in some parts of Australia you are entitled to collect these unused amounts from the Road Authority and your CTP insurer.</p> <p>If your car is under finance we will first pay the financier what you owe and then pay you any remaining balance.</p>
<b>Payment: \$16,750</b>	<b>This is the total amount we pay to you to settle this claim.</b>	

In the above example our payment is based on the following sections of the Policy:

- Your car is covered for accidental loss, including theft (page 10)
- What happens when your car is stolen (page 17)
- What happens to your policy and your car when we pay the amount covered (page 17)

**Do you need to claim?**

We hope you're lucky and never need to. If you do, Bingle is here to help. Logon to our website at [bingle.com.au](http://bingle.com.au), select a contact option and follow the prompts. Remember, if your car has been stolen or maliciously damaged, you need to report it to the police immediately. Bingle never rests, so you can notify us of your claim at anytime.

Everyone's claim will be different. So if you need to make a claim, contact Bingle as soon as you can. We will ask you about what happened and explain our claims process. Bingle will always assess your claim against the policy cover you purchased, which is described in the PDS and your policy schedule.

**How to contact Bingle:**

By email: [bingle@bingle.com.au](mailto:bingle@bingle.com.au)

By our website: at [bingle.com.au](http://bingle.com.au) and select a contact option

By mail: GPO Box 4515 Melbourne, Victoria, 3001

## 4. Financial Claims Scheme

The policy described in this Guide may be a protected policy under the Federal Government's Financial Claims Scheme (**FCS**) which is administered by the Australian Prudential Regulation Authority (**APRA**).

The FCS only applies in the extremely unlikely event of an insurer becoming insolvent and the Federal Treasurer making a declaration that the FCS will apply to that insurer.

The FCS entitles certain persons, who have valid claims connected with certain protected policies issued by that insurer to be paid certain amounts by APRA.

Information about the FCS can be obtained from APRA at [apra.gov.au](http://apra.gov.au) or by calling 1300 13 10 60.