Premium, Excess and Discount Guide

for RAC Basic Contents and Personal Valuables Insurance

This RAC Basic Contents and Personal Valuables Insurance Premium, Excess and Discount (PED) Guide provides you with information about how we calculate our premiums and the excesses and discounts that may apply to your RAC Basic Contents and Personal Valuables Insurance policy.

You should read this PED Guide with your RAC Basic Contents and Personal Valuables Insurance Combined Product Disclosure Statement and Financial Services Guide.

This PED Guide applies to RAC Basic Contents and Personal Valuables policies first started on or after 28 August 2024 or renewed on or after 25 September 2024.

About your premium

The premium is the amount you must pay for your insurance cover. Your premium is shown on your schedule.

We take into account a number of factors when working out the premium for your RAC Basic Contents and Personal Valuables policy.

These factors include, but are not limited to, the following:

- The location of your site.
- The sum you're insured for.
- Construction type of your building.
- Your age and claims history.
- Whether you pay your premium annually or in instalments.
- Costs associated with operating our business.
- Government charges.
- Discounts that may apply to you.

This isn't an exhaustive list of factors we take into account. We may use some or all of these factors to determine your premium.

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For the better

All insurance risks are not the same. The combination of factors used and the relevance they have for determining the overall premium will differ for each risk.

You'll need to specify the sum insured for your contents and personal valuables at the start of your cover. Please refer to our online calculators at **rac.com.au** for help with working out the sum insured.

You need to review your sum insured at the beginning of each subsequent period of insurance or when changes occur. We may also review the sum insured at the beginning of each subsequent period of insurance.

Your sum insured is shown on your schedule.

When you renew your insurance, your premium is likely to change, even if your personal circumstances haven't. This is because the premium you pay is also affected by factors such as:

- The cost of claims we've paid (or expect to pay) to other members.
- Any updated data we have available to calculate your premium.
- Changes to our costs of doing business or to government charges.

GST and government charges

Your RAC Basic Contents and Personal Valuables Insurance is subject to goods and services tax (GST) and government charges (insurance duty) as shown in this table.

GST and government charges	Amount
GST	10%
Insurance duty	10%

The amounts payable in GST and government charges for any given year are shown on your schedule.

Instalment charges

If you pay your premium by instalments a 10% premium loading will apply. This amount is included in the premium shown on your schedule.

Credit card charges

We don't charge a merchant fee when you pay your premium or your excess by credit card.

Cancellation charge

If you cancel your policy during the period of insurance, an administration fee of 10% of the unused premium will be applied to your refund.

Other fees and charges

No refund or request for payment will be made if:

- Your policy is changed or cancelled and the premium refund or premium payable is less than $10.
- You make an under or overpayment to us of less than $10.

Excess

The excess is the amount you need to pay towards settlement of any claim. You'll be asked to pay the excess before any claim is finalised.

The amount and types of excesses that apply to your policy are shown on your schedule. An excess will apply to all sections of your policy unless stated otherwise. You may have to pay more than one excess depending on the circumstances of your claim.

Basic excess

Your basic excess is shown on your schedule.

The basic excess that applies for basic contents and personal valuables cover is as follows, as shown in this table.

Cover type	Basic excess
Basic contents	$200
Personal valuables	$200

How basic excesses are applied

If you make a claim for loss or damage:

- Under your contents cover (not personal valuables), you must pay the basic contents excess.
- Under your personal valuables cover, you must pay the basic personal valuables excess.

If you have contents cover and personal valuables cover and you claim for loss or damage arising out of the one incident under both types of cover, you must pay both the basic contents excess and the basic personal valuables excess.

Imposed excess

We may decide to apply an imposed excess to your policy after taking into account factors such as your contents, personal valuables, your security or your claims history.

An imposed excess is payable in addition to all other excesses.

You can't pay an additional premium to remove an imposed excess.

Discounts and savings

Your premium includes the discounts you're eligible for.

Any discounts will be applied only to the extent any minimum premium is not reached. Minimum premium is the lowest premium that we're able to sell the policy for. If your premium reaches the minimum premium, no further discounts will apply. Any discounts will only apply to the amount that's over the minimum premium.

Discounts are applied to the premium before GST and government charges are applied. If you're eligible for more than one discount, we apply the discounts in order, so each subsequent discount is applied to the amount that's already been discounted.

We may also offer additional discounts from time to time. The relevant terms and conditions will be specified as part of the offer. Additional discounts offered can be changed or withdrawn. For details on specific discounts, refer to the information that follows or contact us on **13 17 03**.

Alarm discount

You may be eligible for an alarm discount, provided the alarm meets our approval criteria. This discount is available on the RAC Basic Contents policy only, not personal valuables. The discount varies based on the type of alarm you've installed, as shown in this table.

Alarm type	Discount
Non-monitored alarm	Up to 12.5%
Monitored alarm	Up to 15%
RAC monitored alarm	Up to 25%

RAC membership discount

We offer discounts on your RAC Basic Contents and Personal Valuables Insurance premium for the following types of memberships, as shown in this table.

RAC membership	Discount
Gold (25 or more years)	10%
Silver (10–24 years)	7.5%
Bronze (5–9 years)	5%

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For more information please visit rac.com.au