



Motor Insurance

Premium, Excess & Discounts Guide

Depending on the type of insurance you have chosen, this RACV Motor Insurance Premium, Excess and Discount Guide should be read with and forms part of either:

- For Comprehensive Insurance, Third Party Fire and Theft Insurance, Third Party Property Damage Insurance, the RACV Motor Insurance Product Disclosure Statement and Policy Booklet (PDS), prepared on 2 August 2022.
- For Complete Care[®] Motor Insurance, the RACV Complete Care[®] Motor Insurance Product Disclosure Statement and Policy Booklet (PDS), prepared on 2 August 2022.

This guide applies to policies issued in Victoria with a commencement date on or after 29 January 2026 or with a renewal effective date on or after 12 March 2026.*

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

*This guide also applies to New South Wales, the Australian Capital Territory or Queensland customers who are identified as being eligible in limited circumstances. Call 13 RACV (13 7228) for information about policies issued with a vehicle kept outside Victoria.

In this guide "Motor Insurance" refers to:

- Complete Care[®]
- Comprehensive
- Third Party Fire and Theft, and
- Third Party Property Damage.

How we work out your premium

Your premium is the total amount we charge for providing you with insurance under the policy. The price charged for each policy is unique to the individual purchasing the policy and is determined by us through consideration of a range of factors relevant to your personal circumstances, the nature of the risk insured and commercial considerations affecting our business. The premium we quote on one day may be different to what we would quote on a later date.

Some of the factors we consider when calculating your premium include:

- Expected claims cost
- Commercial considerations
- Choice of excess and policy options
- Minimum and maximum premium
- Cost of choosing to pay by the month (excluding Complete Care[®])
- Discounts, and
- Government charges.

The above factors are explained in further detail within this Premium, Excess and Discounts Guide.

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

Expected claims cost

Two significant factors in determining your 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.

Our experience shows there are a number of factors that are good indicators of the possibility of a claim being made and/or the cost of a claim, if one were to occur. Those factors and the weight we attach to them may vary according to your circumstances.

For car insurance policies, some of the factors that we may take 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 choose to pay your premium by monthly instalments or annually (not applicable to Complete Care[®])



- 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
- where your vehicle is kept
- what your vehicle is used for
- whether you have finance on your vehicle
- 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 the factors we take into account.

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 significance of any of the factors or how they combine to affect your premium, and we may add or remove factors from the calculation as we require.

Commercial considerations

There are many additional commercial considerations we take into account when determining your premium. How important these commercial considerations are and how they work together to affect the calculation of your premium will differ from customer to customer. These commercial considerations might be general to our business as well as specific to you.

Commercial considerations we may take into account can include, but are not limited to, the following:

- our assessment of market forces and competitive factors including estimates of the number of customers that may purchase or renew our insurance products
- the costs and profitability considerations of operating our business
- our reinsurance costs
- commercial factors relevant to the operation of our business such as our assessment of the price we think is appropriate to attract and retain your business
- the operation of any discounts, marketing offers, taxes and charges.

Your premium is likely to change each time you renew your policy because your circumstances, the considerations we take into account and our weighting of them will change. We also consider your previous premium and may take steps to limit the change in your premium at renewal of your policy.

Policy options

Depending on the cover you have chosen, you may add the following policy options to your policy by paying any additional premium that applies:

- Hire Car option
- Windscreen option
- Any Repairer option.

Any options you choose will be shown on your current Certificate of Insurance.

If you have Complete Care[®] your policy automatically covers you for a hire car after an incident, windscreen damage with no excess and access to any licensed repairer of your choice at the time of a claim, including our extensive network of quality RACV partner repairers.

Cost of choosing to pay by the month

If you choose to pay your premium by monthly instalments you may pay more than if you pay annually (except for Complete Care[®]). Any additional premium when you pay monthly is due to this being used to determine your expected claims cost as well as being an administrative cost.

Any additional premium you are required to pay will be shown on your current Certificate of Insurance.

Government charges

Premiums for car insurance policies are subject to Commonwealth and state taxes and/or charges which include stamp duty and Goods and Services Tax and may include fire or emergency services levies if applicable. Any government charges forming part of your premium will be shown on your Certificate of Insurance.

Excess

An excess is the amount you contribute towards the cost of your claim.

There are three types of excess(es):

- Basic
- Age
- Special.

Your current Certificate of Insurance shows the amount and types of excesses that apply to your policy.

The type of excess you need to pay depends on what your claim relates to and who was driving your vehicle. Also, you may need to pay more than one excess.

When you make a claim, an excess may apply. If so, we will:

- deduct the excess from any claim payment, or
- request you pay the excess to us, or to the repairer or supplier.

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.

The circumstance(s) when an excess does not apply are set out in this Excess section.

Basic excess

If you make a claim, a basic excess may apply.

We determine the basic excess that will apply at the time a policy is taken out based upon the type of insurance you have chosen and whether you are insuring a motor vehicle or motorcycle.

For Complete Care® or Comprehensive Motor Vehicle Insurance policies you might be able to choose a different amount as your basic excess. If you choose a higher basic excess, this may reduce your premium. If you choose a lower basic excess, this may increase your premium. You should make sure the basic excess you choose is appropriate for you, taking into account the limits of your cover, including any additional covers or options.

In some circumstances, factors such as:

- what you use your vehicle for, for example private or business use,
- the type of the vehicle you are insuring, and
- the age of the drivers of your vehicle

will result in a higher basic excess amount. In these circumstances you will not be able to choose any other basic excess amount.

Your basic excess amount will be shown on your current Certificate of Insurance.

Age excess

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

- any driver under 25 years of age, or
- any driver 25 years of age or over with no more than 2 years driving experience after obtaining a provisional or probationary licence

but does not apply to:

- a learner driver who was accompanied by a fully licensed driver aged 25 years of age or more.

The amount of the age excess will be shown on your current Certificate of Insurance.

You cannot pay an additional premium to remove an age excess.

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.

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

You cannot pay an additional premium to remove a special 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:

Insurance Type	If you make a claim for	Then you will NOT have to pay an
Complete Care® or Comprehensive	Theft or attempted theft	Age excess
Complete Care®	Windscreen, sunroof or window glass damage only	Basic, age or special excess
Comprehensive	Windscreen, sunroof or window glass damage only	Age or special excess
Comprehensive	Windscreen, sunroof or window glass damage only	Basic, age or special excess when you have chosen the Windscreen option
Complete Care® or Comprehensive	Storm, flood or fire damage	Age or special excess
Complete Care® or Comprehensive	Vandalism or a malicious act	Age or special excess
Complete Care® or Comprehensive	Damage to the vehicle while it is parked	Age or special excess
Complete Care® or Comprehensive	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 a person(s) we are satisfied is at fault	Basic, age or special excess
Third Party Fire & Theft	Fire	Age or special excess
Third Party Fire & Theft	Theft or attempted theft	Age excess
Third Party Fire & Theft	Insured Motorist Damage	Age, basic or special excess
Third Party Fire & Theft	Uninsured Motorist Damage	Age, basic or special excess
Third Party Property Damage	Uninsured Motorist Damage	Age, basic or special excess

Determining fault in an incident

When determining the excess that will apply to your claim, we may need to decide if you or someone else is at fault. To do this we may request reasonable additional information from you – for example witness statements or photographs – and consider any laws, bylaws or rules that apply to the claim circumstances.

If we are not satisfied or unable to determine that someone else was at fault, the excess is payable.



Discounts

We offer the following discounts that you may be entitled to:

- Flexi Excess Discount
- Multi-Policy Discount
- Years of Membership Benefit.

If more than one discount applies to your policy, we will apply each 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 premium that has already been discounted by 10%. 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 may offer discounts at renewal, including the Multi-Policy Discount and/or Years of Membership Benefit, the discounted renewal premium is not directly comparable to the premium a new customer might receive.

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.

We may also 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 or only on existing policies.

Flexi Excess Discount

If you choose a higher basic excess on your Complete Care® or Comprehensive Motor Vehicle Insurance, you may decrease your premium. This means that, although you pay less in premium, you will have to contribute more to any claim you make where an excess applies.

For Victorian policies, the following basic excess amounts may qualify for a Flexi Excess discount:

Flexi Excess
\$1,000
\$1,200
\$1,700
\$2,200

The discount is not applicable to all components of the premium.

For policies outside of Victoria, the Flexi Excess discount may be available at different basic excess amounts to what is shown above. Ask us about the Flexi Excess levels available to you.

Multi-Policy Discount

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

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

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

To receive a Multi-Policy Discount, the eligible policies must be current.

If you take out a new eligible policy the Multi-Policy Discount will be applied to that policy.

For your existing eligible policies any change to your Multi-Policy Discount generally applies from the next renewal after you qualify.

If you become eligible for an updated Multi-Policy Discount around the time your existing policies are due for renewal, the updated Multi-Policy Discount may not be applied to those renewing policies (the updated discount will be applied on the subsequent renewal).

You should contact us if you believe you are eligible for a higher Multi-Policy Discount on a policy and it is not noted on your Certificate of Insurance.

Excludes Travel, Business, and Farm Insurance products.

Years of Membership Benefit

This discount applies to all types of Motor 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, and Farm Insurance products.

If there is anything you don't understand about this RACV Motor Insurance Premium, Excess & Discounts Guide, please call us on 13 RACV (13 7228) or visit your nearest RACV Shop.