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Details of Filing

Document Lodged: Concise Statement
File Number: NSD1070/2021
File Title: AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION v
INSURANCE AUSTRALIA LIMITED ACN 000 016 722
Registry: NEW SOUTH WALES REGISTRY - FEDERAL COURT OF
AUSTRALIA



Sia Lagos

Dated: 14/10/2021 4:31:08 PM AEDT

Registrar

Important Information

As required by the Court's Rules, this Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

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CONCISE STATEMENT

FEDERAL COURT OF AUSTRALIA
DISTRICT REGISTRY: NEW SOUTH WALES
DIVISION: GENERAL

NO NSD OF 2021

IN THE MATTER OF INSURANCE AUSTRALIA LIMITED
ACN 000 016 722

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION
Plaintiff

INSURANCE AUSTRALIA LIMITED ACN 000 016 722
Defendant

PART I IMPORTANT FACTS GIVING RISE TO CLAIM

Introduction

1. The Plaintiff (**ASIC**) alleges that the Defendant (**IAL**) engaged in conduct in relation to financial services that was misleading or deceptive, or likely to mislead or deceive, and made false or misleading representations to customers in Australia in connection with the supply, possible supply or promotion of financial services, in contravention of ss 12DA(1) and 12DB(1) of the *Australian Securities and Investments Act 2001* (Cth) (**ASIC Act**). ASIC further alleges that IAL breached certain obligations in contravention of s 912A(1)(a) and (c) of the *Corporations Act 2001* (Cth) (**Corporations Act**).
2. Between 16 March 2014 and 25 September 2019 (the **Relevant Period**), IAL offered NRMA brand insurance products to the public for Motor, Home, Boat and Caravan insurance, and specifically the 13 insurance policy products identified in **Schedule 1 (Relevant Policies)**, and entered into NRMA Insurance branded contracts of insurance with customers in respect of those policies.
3. During the Relevant Period, IAL purported to offer certain discounts (a loyalty discount and a no claim bonus discount, described below, and referred to as the **Discounts**) to customers on renewal of the Relevant Policies. The stated application of the Discounts was that a customer's premium payable on renewal (net premium) was to be a gross premium, less applicable discounts.
4. On 16 March 2014, IAL introduced limits on reductions on renewal premiums for the Relevant Policies by a process called "cupping", which, when triggered, had the effect of reversing the application of relevant Discounts from the calculation of the final premium and increasing the gross premium prior to the Discounts being re-applied, as set out in paragraphs 15-16 below (the **Cupping Mechanism**). The Cupping Mechanism applied to renewals of Relevant Policies during the Relevant Period, but

Filed on behalf of the Plaintiff, ASIC

File ref: 21003453

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IAL did not disclose its existence or its application to customers at any stage during the Relevant Period. The policies affected by the Cupping Mechanism commenced between 28 April 2014 and 3 November 2019 (inclusive), the last of which continued to run until 2 November 2020.

5. The Cupping Mechanism was applied around 1,785,000 times, affected at least 596,000 customers, involved around 705,000 separate insurance policies and resulted in affected customers not receiving represented discounts of around \$60,223,000 (excluding GST, Stamp Duty and Fire Services Levy (**FSL**)). The conduct engaged in between 15 October 2015 and 25 September 2019 (**Penalty Period**) resulted in the following harm between 26 November 2015 and 3 November 2019 (inclusive): the Cupping Mechanism was applied around 1,098,000 times to around 456,000 policies, affecting at least 403,000 customers, and customers were not provided with represented discounts of around \$35,393,000 (excluding GST, Stamp Duty and FSL).

Background to the conduct

6. IAL is an insurance company that underwrites and distributes products under the NRMA insurance brand. It operates under Australian Financial Services Licence number 227681. IAL is wholly owned by Insurance Australia Group Limited (**IAG**), which is a multinational insurance company and the largest general insurance company in Australia and New Zealand. In its 2021 annual report, IAG reported total assets of \$33.449 billion and a market capitalisation of \$12.819 billion, placing it within the ASX top 50.
7. During the Relevant Period, IAL offered its customers renewal on the Relevant Policies on standard terms. At renewal IAL provided customers with a proposed certificate of insurance (**COI**) and, only if there had been any changes since the previous applicable version, the applicable Product Disclosure Statement (**PDS**) (or Supplementary PDS (**SPDS**)) for that policy.
8. The PDS and proposed COI referred customers to the applicable Premium, Excess and Discounts Guide (**PED**), available on IAL's website, for each Relevant Policy. The PED described how a customer's premium would be calculated, and advertised and promoted a loyalty discount (**Loyalty Discount**) and a no claim bonus discount (**NCB Discount**) in connection with the Relevant Policies, and how they were to be calculated and applied upon renewal of a customer's existing policy.
9. The Loyalty Discount was a percentage (and in some cases a dollar value) discount on premium payable on renewal calculated by reference to the length of time a customer had held certain NRMA branded policies with IAL and how many policies a customer held that were eligible to receive the Loyalty Discount. The NCB Discount was a percentage (and in some cases a dollar value) discount on premium payable on renewal calculated by reference to whether the customer had made a non-recoverable claim during each previous year the customer held the policy.
10. The relevant PEDs were to the effect (as detailed in **Schedule 2**) that IAL first calculated the gross premium in accordance with risk factors (described as pricing factors) and then applied any applicable Discounts (as well as other costs and discounts that may be applicable) to that amount. The PED also usually stated that the customer's COI would show any Discounts that had been applied to the premium to be paid, and that each year on renewal, the customer's Discounts were recalculated.

Renewal process

11. During the Relevant Period, prior to the expiry of each existing Relevant Policy of an existing customer, IAL sent a renewal letter or offer of renewal to each such customer, which offered a renewal of the customer's existing insurance policy on terms set out in the offer (**Renewal Offer**). The Renewal Offer was generally sent to existing customers around 5-6 weeks prior to the expiry of the existing policy. On some occasions, IAL also sent a follow up Renewal Offer prior to the expiry of the existing policy. The Renewal Offer stated that the terms of the contract were set out in the proposed COI and PDS (and SPDS if applicable).
12. Each proposed COI sent to customers on renewal set out: (a) the renewal premium payable by the customer to renew the insurance policy; (b) the percentage Discounts applicable (and in some cases the dollar value of the Discount); and (c) that the renewal premium payable included the Discounts applicable.

Implementation of Cupping Mechanism

13. During the Relevant Period, IAL used computer generated algorithms as part of its automated system to calculate insurance premiums for renewal of existing insurance policies for existing customers.
14. On or around July 2013, IAL approved a change to its automated system to introduce the Cupping Mechanism. The Cupping Mechanism applied, and was intended to apply, to the calculation of customers' premiums for the Relevant Policies from 16 March 2014.
15. The Cupping Mechanism operated such that, after the Discounts were applied, a process would be triggered if the decrease in net premium was greater than the percentage limit (**Cup**) set in the system when compared to the customers' previous year's premium. When the Cup was triggered, the net premium that otherwise would apply was recalculated by adding back the Discounts that had been deducted (grossed up). After the premium was grossed up, the premium was recalculated so that the new premium no longer triggered the Cup after the applicable Discounts were taken into account.
16. The effect of the Cupping Mechanism was that IAL recalculated the gross premium so that the Discounts stated on the COI as being offered to customers were as set out in the PED but they were applied to a higher gross premium and therefore resulted in customers ultimately being offered a higher net premium than what they would otherwise have been offered, had the Cupping Mechanism not been in place and if the Cup had not been triggered.
17. After the first year the Cup was triggered, even if it was not triggered again, some subsequent renewal premiums were incorrect as the way they were calculated included the previous year's premium. Neither the PED nor the COI identified that the previous premium affected the new premium during the Relevant Period.

Removal and remediation of the Cupping Mechanism

18. IAL reported the conduct to ASIC on 9 September 2019. IAL removed the Cupping Mechanism in Renewal Offers issued on or after 26 September 2019. IAL commenced paying remediation to affected customers on 11 May 2020 and as at July 2021, remediation payments were ongoing.

PART II RELIEF SOUGHT FROM THE COURT

19. ASIC seeks the relief set out in the accompanying originating process.

PART III PRIMARY LEGAL GROUNDS FOR THE RELIEF SOUGHT

20. On each occasion that IAL made a Renewal Offer in respect of the Relevant Policies during the Relevant Period (including the Penalty Period), IAL, in trade or commerce and in connection with the supply or possible supply of financial services, represented:
- 20.1. in the COI, that the premium payable by the customer on renewal of the policy included a stated percentage (and in some cases a dollar value) Loyalty Discount, and a stated percentage (and in some cases a dollar value) NCB Discount, that had been applied to the premium that would otherwise have been payable by the customer had the discounts not been applied (the **Discounts Representation**);
- 20.2. in the COI and the PED that applied to the Relevant Policy, that the premium payable by the customer on renewal of the policy had been calculated based on the information and process set out in the PED regarding calculation of the premium (the **Premium Calculation Representation**);
- 20.3. in circumstances where IAL had introduced the Cupping Mechanism, having regard to the matters stated in the COI and the PED as referred to in paragraphs 10 and 12 above, and the relationship between IAL and its customers as insurer and insured, and the duty of utmost good faith on the part of IAL in that respect:
- 20.3.1. in all of the above circumstances, it was implicit that IAL would have disclosed to the customer, as part of or within the documentation provided in the Renewal Offer, the existence, application and/or consequences of the Cupping Mechanism; and
- 20.3.2. by not disclosing any information in relation to the existence, application and/or consequences of the Cupping Mechanism, IAL represented by its silence that no such process was occurring,
- (the **Silence Representation**).
21. During the Relevant Period, by reason of IAL's application of the Cupping Mechanism to the Relevant Policies, in respect of affected customers, IAL: (a) did not apply the applicable Discounts to the premium that would otherwise have been payable by customers had the Discounts not been applied, (b) did not calculate the premium payable on policy renewal based on the information and process set out in paragraph 10 above and (c) failed to disclose that the Cupping Mechanism would be used to calculate the renewal premium (which failure continued to the latest date that customers were affected by the conduct in paragraph 20 above, being 2 November 2020). Accordingly, each of the Representations was false, misleading or deceptive or likely to mislead or deceive.
22. To the extent that the Representations were a representation as to a future matter, ASIC relies on s 12BB of the ASIC Act and alleges that by reason of the existence and application of the Cupping Mechanism during the Relevant Period, IAL did not have reasonable grounds for making those Representations.
23. The application of the Cupping Mechanism to customer premiums had the result that affected customers were charged higher premiums on renewal than if the Cup was not

triggered, and did not receive the applicable Loyalty Discount or NCB Discount that IAL represented they had received, or would receive, from the premium otherwise payable by customers had the Discounts not been applied.

24. In the circumstances set out in paragraphs 20-23 above, during the Relevant Period, IAL, in trade or commerce, in relation to and in connection with the supply or possible supply of financial services:
 - 24.1. engaged in misleading or deceptive conduct or conduct that was likely to mislead or deceive, in contravention of s 12DA(1) of the ASIC Act; and
 - 24.2. made false or misleading representations concerning:
 - 24.2.1. the price of the Relevant Policies, in contravention of s 12DB(1)(g) of the ASIC Act; and/or
 - 24.2.2. the existence or effect of a condition, right or remedy, in relation to the Relevant Policies in contravention of s 12DB(1)(i) of the ASIC Act.
25. Further, in so doing, IAL breached its general obligation to comply with financial services laws in contravention of s 912A(1)(c) of the Corporations Act. Further, IAL contravened s 912A(1)(a) of the Corporations Act by its conduct during the Relevant Period set out in paragraphs 20-24 above and in: (a) as set out in paragraphs 13-17 above, introducing an automated system for the express purpose of applying the Cupping Mechanism to the Relevant Policies from 16 March 2014; (b) expressly purporting, in the COIs, to apply the Loyalty Discount and the NCB Discount to the affected customers' Relevant Policies, without limitation, but in fact charging higher premiums on renewal than if the Cup had not been triggered; (c) charging the affected customers premiums for the Relevant Policies that were calculated by use of the Cupping Mechanism, which charging continued until 3 November 2019 for customers paying on an annual basis, and 2 November 2020 for those paying on a monthly basis; and (d) additionally, or alternatively, failing to disclose to any of the affected customers that it was using the Cupping Mechanism to calculate the premiums on the Relevant Policies.
26. ASIC seeks civil penalties for contravention of section 12DB(1) of the ASIC Act in respect of the Penalty Period under s 12GBA(1) of the ASIC Act (as in force before 13 March 2019) and s 12GBB(1) of the ASIC Act (as in force from 13 March 2019). From 13 March 2019, s 12GBC of the ASIC Act applies, and for the purposes of s 12GBCA of the ASIC Act, IAL has derived a benefit because of its contraventions as set out in paragraph 27 below.

PART IV HARM SUFFERED AND PROFITS EARNED FROM THE CONDUCT

27. IAL customers suffered financial loss as a result of the conduct because they were required to pay higher premiums than the premium that should have been payable after the applicable Discounts. To date, IAL has undertaken remediation but is yet to remediate all customers affected.

CERTIFICATE OF LAWYER

I Jody Maree Marshall certify to the Court that, in relation to the concise statement filed on behalf of the Plaintiff, the factual and legal material available to me at present provides a proper basis for each allegation in the pleading.

Date: 14 October 2021

A handwritten signature in cursive script that reads "J. Marshall". The signature is written in black ink and is positioned above a horizontal dotted line.

Jody Marshall
AGS lawyer
for and on behalf of the Australian Government Solicitor
Lawyer for the Plaintiff

Schedule 1 – List of Relevant Policies

Product Category and Code	Description
Home	
BLDG	Home Buildings
CONT	Home Contents
HPAC	Home Package Buildings (BLDG) and/or Contents (GNCT)
LAND	Landlords – Buildings (BLDG) and/or Contents (GNCT)
Motor	
CRCP	Comprehensive Motor
CRFT	Car Fire, Theft (Third Party)
CRTP	Car Third Party Property Damage
BKCP	Bike Comprehensive
BKTP	Bike Third Party Property Damage
Boat	
BOT	Boat Contents (CONT) and Boat Hull (HULL), or standalone Boat Hull, with layup cover applied to boat hull
Caravan	
ONS	Onsite Caravan (ONST CARA) and/or Onsite Caravan Contents (ONST CONT)
CVT	Caravan Touring (CVT CARA) and/or Caravan Touring Contents (CVT CONT)
TRLR	Trailer

Schedule 2: Versions of the PED applicable to renewals of Relevant Policies during the Relevant Period

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
Motor					
1.	On or after 28 April 2014	28 April 2014 to 18 May 2014	<p>Your insurance premium is based on 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:</p> <ul style="list-style-type: none"> ▶ Pricing factors ▶ No Claim Bonus ▶ Policy options ▶ Loyalty Discount ▶ Choice of excess, and ▶ Government charges. 	<p>Step 1 First, we combine the pricing factors.</p> <p>Step 2 Once this amount is calculated we work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 1.</p> <p>Step 3 Then, we add the cost of any No Claim Bonus protection you have chosen.</p> <p>Step 4 If you have chosen a higher basic excess to reduce your premium this is then applied. If you have chosen to lower or remove your basic excess we will add the additional premium.</p> <p>Step 5 Then, we add the cost of any optional covers you may have chosen.</p> <p>Step 6</p>	IAG.0003.0151.0096

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
				<p>We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from Step 5.</p> <p>Step 7</p> <p>To the amount in Step 6, we add applicable government charges to work out the premium you need to pay.</p>	
2.	On or after 19 May 2014	19 May 2014 to 30 June 2014	As above	As above	IAG.0003.0151.0103
3.	On or after 1 July 2014	1 July 2014 to 18 October 2014	<p>Your insurance premium is based on the likelihood of a claim being made on your Ppolicy in the future. There are a number of factors we take into account when determining your premium. We calculate your premium by combining the:</p> <ul style="list-style-type: none"> ▶ Pricing factors ▶ No Claim Bonus ▶ Policy options ▶ Loyalty Discount ▶ Choice of excess, and ▶ Government charges. 	As above	IAG.0003.0151.0110
4.	On or after 19 October 2014	19 October 2014 to 2 December 2014	As above	As above	IAG.0003.0151.0117

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
5.	On or after 3 December 2014	3 December 2014 to 10 May 2015	As above	As above	IAG.0003.0151.0124
6.	On or after 11 May 2015	11 May 2015 to 30 June 2015	As above	As above	IAG.0003.0120.2956
7.	On or after 1 July 2015	1 July 2015 to 29 May 2016	As above	As above	IAG.0003.0120.2963
8.	On or after 30 May 2016	30 May 2016 to 30 June 2016	As above	As above	IAG.0003.0120.2970
9.	On or after 1 July 2016	1 July 2016 to 15 January 2017	As above	As above	IAG.0003.0120.2977
10.	On or after 16 January 2017	16 January 2017 to 15 February 2017	As above	As above	IAG.0003.0120.2984
11.	On or after 16 February 2017	16 February 2017 to 30 June 2017	As above	As above	IAG.0003.0120.2991
12.	On or after 1 July 2017	1 July 2017 to 5 November 2017	As above	As above	IAG.0003.0120.2998
13.	On or after 6 November 2017	6 November 2017 to 29 June 2019	As above	<p>Step 1 First, we combine the pricing factors.</p> <p>Step 2 Once this amount is calculated we work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 1.</p>	IAG.0003.0120.3005

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
				<p>Step 3 Then, we add the cost of any No Claim Bonus protection you have chosen.</p> <p>Step 4 If you have chosen a higher basic excess to reduce your premium this is then applied. If you have chosen to lower or remove your basic excess we will add the additional premium.</p> <p>Step 5 Then, we add the cost of any options eoverssal you may have chosen.</p> <p>Step 6 We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from Step 5.</p> <p>Step 7 To the amount in Step 6, we add applicable government charges to work out the premium you need to pay.</p>	
14.	On or after 30 June 2019	30 June 2019 to 31 May 2020	Your insurance premium <u>generally reflects</u> is based on 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.	As above	IAG.0003.0120.3012

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<p>We calculate your premium by combining the:</p> <ul style="list-style-type: none"> ▶ Pricing factors ▶ No Claim Bonus ▶ Policy options ▶ Loyalty Discount ▶ Choice of excess, and ▶ Government charges. <p>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.</p>		
Home					
1.	On or after 28 April 2014	28 April 2014 to 18 May 2014	Your insurance premium is based on 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:	<p>Step 1 First, we combine the pricing factors and the cost of any options you have chosen</p> <p>Step 2 Then we add the cost of choosing to pay by the month</p>	IAG.0003.0071.0006

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<ul style="list-style-type: none"> ▶ Pricing factors ▶ No Claim Bonus ▶ Policy options ▶ Loyalty Discount and ▶ Government charges. 	<p>Step 3 If your home is new, we work out any premium reduction that you may be eligible for and apply it to the premium from step 2.</p> <p>Step 4 Once this amount is calculated we work out any No Claim Bonus you may be eligible for and apply this to the amount from step 3.</p> <p>Step 5 Then, we add the cost of any No Claim Bonus protection you have chosen.</p> <p>Step 6 We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from step 5.</p> <p>Step 7 To the amount in step 6, we add applicable government charges to work out the premium you need to pay.</p>	
2.	On or after 19 May 2014	19 May 2014 to 30 June 2014	As above	As above	IAG.0003.0071.0001
3.	On or after 1 July 2014	1 July 2014 to 2 December 2014	Your insurance premium is based on the likelihood of a claim being made on your P policy in the future. There	As above	IAG.0003.0071.0436

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<p>are a number of factors we take into account when determining your premium. We calculate your premium by combining the:</p> <ul style="list-style-type: none"> ▶ Pricing factors ▶ No Claim Bonus ▶ Policy options ▶ Loyalty Discount and ▶ Government charges. 		
4.	On or after 3 December 2014	3 December 2014 to 30 June 2015	As above	As above with full stops inserted after steps 1 and 2	IAG.0003.0071.0939
5.	On or after 1 July 2015	1 July 2015 to 30 June 2016	As above.	As above	IAG.0003.0071.0441
6.	On or after 1 July 2016	1 July 2016 to 19 March 2017	As above	As above	IAG.0003.0071.0371
7.	On or after 20 March 2017	20 March 2017 to 30 June 2017	As above	As above	IAG.0003.0071.0914
8.	On or after 1 July 2017	1 July 2017 to 27 May 2018	As above	As above	IAG.0003.0071.0929
9.	On or after 28 May 2018 - for policies issued in New South Wales, the Australian Capital	28 May 2018 to 23 September 2018	As above	As above	IAG.0003.0071.0924

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
	Territory or Tasmania On or after 1 July 2017 – for policies issued in Queensland				
10.	As above	24 September 2018 to 31 March 2019	As above	As above	IAG.0003.0071.0934
11.	On or after 1 April 2019	1 April 2019 to 29 June 2019	<p>Your insurance premium generally reflects is based on 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:</p> <ul style="list-style-type: none"> • Pricing factors • No Claim Bonus • Policy options • Loyalty Discount, and • Government charges. <p>Other commercial factors affect the premium you pay, including costs associated with doing business. Each time you renew your insurance your premium is likely to change, even if your personal</p>	<p>Step 1 First, we combine the pricing factors and the cost of any options you have chosen.</p> <p>Step 2 Then we add the cost of choosing to pay by the month.</p> <p>Step 3 Once this amount is calculated if your home is new, we work out any No Claim Bonus premium reduction that you may be eligible for and apply it to the amount premium from step 2.</p> <p>Step 4 Then, we add the cost of Once this amount is calculated we work out any No Claim Bonus protection you have</p>	IAG.0003.0073.1924

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<p><u>circumstances have not changed. This is because the premium you pay is also affected by other things such as new and updated data we use to calculate your premium.</u></p>	<p>chosen may be eligible for and apply this to the amount from step 3.</p> <p>Step 5 <u>We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from step 4.</u> Then, we add the cost of any No Claim Bonus protection you have chosen.</p> <p>Step 6 <u>To the amount in step 5, we add applicable government charges to work out the premium you need to pay.</u> We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from step 5.</p> <p>Step 7 To the amount in step 6, we add applicable government charges to work out the premium you need to pay.</p>	
12.	As above	30 June 2019 to 22 March 2020	<p>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:</p> <ul style="list-style-type: none"> • Pricing factors 	As above	IAG.0003.0012.0037

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<ul style="list-style-type: none"> No Claim Bonus Policy options Loyalty Discount, and Government charges. <p>Other commercial factors affect the premium you pay, including costs associated with doing 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 also affected by other things such as new and updated data we use to calculate your premium calculated on our updated modelling, based on your circumstances and wider insurance trends.</p>		
Boat					
1.	On or after 28 April 2014	28 April 2014 to 18 May 2014	<p>Your insurance premium is based on 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:</p> <ul style="list-style-type: none"> Pricing factors 	<p>Step 1 First, we combine the pricing factors.</p> <p>Step 2 Then, we add the cost of any optional covers you may have chosen and the cost of choosing to pay by the month.</p> <p>Step 3</p>	IAG.0003.0151.0015

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<ul style="list-style-type: none"> No Claim Bonus Policy options Loyalty Discount, and Government charges. 	<p>Once this amount is calculated we work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 2.</p> <p>Step 4 Then, we add the cost of any No Claim Bonus protection you have chosen.</p> <p>Step 5 We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from Step 4.</p> <p>Step 6 To the amount in Step 5, we add applicable government charges to work out the premium you need to pay.</p>	
2.	On or after 19 May 2014	19 May 2014 to 30 June 2014	As above	As above	IAG.0003.0151.0019
3.	On or after 1 July 2014	1 July 2014 to 2 November 2014	<p>Your insurance premium is based on 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:</p> <ul style="list-style-type: none"> Pricing factors No Claim Bonus Policy options 	As above	IAG.0003.0151.0023

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<ul style="list-style-type: none"> Loyalty Discount, Excess, and Government charges. 		
4.	On or after 3 November 2014	3 November 2014 to 2 December 2014	<p>Your insurance premium is based on 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:</p> <ul style="list-style-type: none"> Pricing factors Policy options No Claim Bonus Loyalty Discount, Excess, and Government charges. 	<p>Step 1 First, we combine the pricing factors.</p> <p>Step 2 Once this amount is calculated, then we add the cost of choosing to pay by the month. Then, we add the cost of any optional covers you may have chosen and the cost of choosing to pay by the month.</p> <p>Step 3 Then, Once this amount is calculated we work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 2.</p> <p>Step 4 Then, we add the cost of any No Claim Bonus protection you have chosen.</p> <p>Step 5 Then, we add the cost of any optional covers you may have chosen.</p> <p>Step 6</p>	IAG.0003.0151.0027

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
				<p>We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from Step 54.</p> <p>Step 76</p> <p>To the amount in Step 65, we add applicable government charges to work out the premium you need to pay.</p>	
5.	On or after 3 December 2014	3 December 2014 to 30 June 2015	As above	As above	IAG.0003.0151.0031
6.	On or after 1 July 2015	1 July 2015 to 30 June 2016	As above	As above	IAG.1019.0001.0033
7.	On or after 1 July 2016	1 July 2016 to 15 February 2017	As above	As above	IAG.0003.0120.0481
8.	On or after 16 February 2017	16 February 2017 to 30 June 2017	As above	As above	IAG.0003.0120.0485
9.	On or after 1 July 2017	1 July 2017 to 29 June 2019	As above	As above	IAG.0003.0120.0489
10.	On or after 30 June 2019	30 June 2019 to 19 July 2020	<p>Your insurance premium generally reflects is based on 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:</p> <ul style="list-style-type: none"> • Pricing factors 	As above	IAG.0003.0120.0493

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<ul style="list-style-type: none"> • Policy options • No Claim Bonus • Loyalty Discount, and • Government charges. <p>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.</p>		
Landlord					
1.	On or after 28 April 2014	28 April 2014 to 18 May 2014	<p>Your insurance premium is based on 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:</p> <ul style="list-style-type: none"> • Pricing factors • No Claim Bonus • Policy options • Loyalty Discount, and • Government charges. 	<p>Step 1 First, we combine the pricing factors</p> <p>Step 2 Then we add the cost of choosing to pay by the month</p> <p>Step 3 If your home is new, we work out any premium reduction that you may be eligible for and apply it to the premium from step 1.</p> <p>Step 4</p>	IAG.0003.0151.0080

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
				<p>Once this amount is calculated we work out any No Claim Bonus you may be eligible for and apply this to the amount from step 3.</p> <p>Step 5 Then, we add the cost of any No Claim Bonus protection you have chosen.</p> <p>Step 6 We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from step 5.</p> <p>Step 7 To the amount in step 6, we add applicable government charges to work out the premium you need to pay.</p>	
2.	On or after 19 May 2014	19 May 2014 to 30 June 2014	As above	As above	IAG.0003.0151.0084
3.	On or after 1 July 2014	1 July 2014 to 2 December 2014	<p>Your insurance premium is based on 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:</p> <ul style="list-style-type: none"> • Pricing factors • No Claim Bonus • Policy options 	As above with full stops inserted after steps 1 and 2.	IAG.0003.0151.0088

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<ul style="list-style-type: none"> • Loyalty Discount, and • Government charges. 		
4.	On or after 3 December 2014	3 December 2014 to 30 June 2015	As above	As above	IAG.0003.0151.0092
5.	On or after 1 July 2015	1 July 2015 to 30 June 2016	As above	As above	IAG.1019.0001.0100
6.	On or after 1 July 2016	1 July 2016 to 19 March 2017	As above	As above	IAG.0003.0120.4747
7.	On or after 20 March 2017	20 March 2017 to 30 June 2017	As above	As above	IAG.0003.0120.2551
8.	On or after 1 July 2017	1 July 2017 to 27 May 2018	As above	As above	IAG.0003.0120.2555
9.	On or after 28 May 2018 – for a renewal effective date for policies issued in New South Wales, the Australian Capital Territory and Tasmania On or after 1 July 2017 – for a renewal effective date for policies	28 May 2018 to 23 September 2018	As above	As above	IAG.0003.0120.4547

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
	issued in Queensland				
10.	As above	24 September 2018 to 31 March 2019	As above	As above	IAG.0003.0120.2563
11.	On or after 1 April 2019	1 April 2019 to 29 June 2019	<p>Your insurance premium generally reflects is based on 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:</p> <ul style="list-style-type: none"> • Pricing factors • No Claim Bonus • Policy options • Loyalty Discount, and • Government charges. <p>Other commercial factors affect the premium you pay, including costs associated with doing 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 also affected by other things such as new and updated data we use to calculate your premium.</p>	<p>Step 1 First, we combine the pricing factors.</p> <p>Step 2 Then we add the cost of choosing to pay by the month.</p> <p>Step 3 Once this amount is calculated we work out any No Claim Bonus you may be eligible for and apply this to the amount from step 2.</p> <p>If your home is new, we work out any premium reduction that you may be eligible for and apply it to the premium from step 1.</p> <p>Step 4 Then, we add the cost of any No Claim Bonus protection you have chosen.</p> <p>Once this amount is calculated we work out any No Claim Bonus you may be eligible for and apply this to the amount from step 3.</p>	IAG.0003.0120.4523

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
				<p>Step 5</p> <p>We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from step 4.</p> <p>Then, we add the cost of any No Claim Bonus protection you have chosen.</p> <p>Step 6</p> <p>To the amount in step 5, we add applicable government charges to work out the premium you need to pay.</p> <p>We then work out any Loyalty Discount that you may have been eligible for and apply that to the amount from step 5.</p> <p>Step 7</p> <p>To the amount in step 6, we add applicable government charges to work out the premium you need to pay.</p>	
12.	As above	30 June 2019 to 19 July 2020	<p>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:</p> <ul style="list-style-type: none"> • Pricing factors • No Claim Bonus • Policy options 	As above	IAG.0003.0120.4527

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<ul style="list-style-type: none"> • Loyalty Discount, and • Government charges. <p>Other commercial factors affect the premium you pay, including costs associated with doing 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 also affected by other things such as new and updated data we use to calculate your premium calculated on our updated modelling, based on your circumstances and wider insurance trends.</p>		
Caravan and Trailer					
1.	On or after 28 April 2014	28 April 2014 to 18 May 2014	<p>Your insurance premium is based on 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:</p> <ul style="list-style-type: none"> ▶ Pricing factors ▶ No Claim Bonus ▶ Policy options ▶ Loyalty Discount, and 	<p>Step 1 First, we combine the pricing factors.</p> <p>Step 2 Once this amount is calculated we work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 1.</p> <p>Step 3 Then, we add the cost of any No Claim Bonus protection you have chosen.</p>	IAG.0003.0151.0055

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<p>► Government charges.</p>	<p>Step 4 Then, we add the cost of any optional covers you may have chosen.</p> <p>Step 5 We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from Step 4.</p> <p>Step 6 To the amount in Step 5, we add applicable government charges to work out the premium you need to pay</p>	
2.	On or after 19 May 2014	19 May 2014 to 30 June 2014	As above	As above	IAG.0003.0151.0060
3.	On or after 1 July 2014	1 July 2014 to 2 November 2014	<p>Your insurance premium is based on 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:</p> <ul style="list-style-type: none"> • Pricing factors • No Claim Bonus • Policy options • Loyalty Discount, and • Government charges. 	As above	IAG.0003.0151.0065

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
4.	On or after 3 November 2014	3 November 2014 to 2 December 2014	<p>Your insurance premium is based on 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:</p> <ul style="list-style-type: none"> • Pricing factors • No Claim Bonus-Policy options • No Claim Bonus • Loyalty Discount, and • Government charges. 	<p>Step 1 First, we combine the pricing factors.</p> <p>Step 2 Once this amount is calculated, then we add the cost of choosing to pay by the month.</p> <p>Step 3 Then, we work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 2.</p> <p>Step 43 Then, we add the cost of any No Claim Bonus protection you have chosen.</p> <p>Step 54 Then, we add the cost of any optional covers you may have chosen.</p> <p>Step 65 We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from Step 5.</p> <p>Step 76 To the amount in Step 6, we add applicable government charges to work out the premium you need to pay</p>	IAG.0003.0151.0070

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
5.	On or after 3 December 2014	3 December 2014 to 30 June 2015	As above	As above	IAG.0003.0151.0075
6.	On or after 1 July 2015	1 July 2015 to 30 June 2016	As above	As above	IAG.1019.0001.0085
7.	On or after 1 July 2016	1 July 2016 to 6 November 2016	As above	As above	IAG.0003.0120.4742
8.	On or after 7 November 2016	7 November 2016 to 15 February 2017	As above	<p>Step 1 First, we combine the pricing factors.</p> <p>Step 2 Once this amount is calculated, then we add the cost of choosing to pay by the month.</p> <p>Step 3 Then, we work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 2.</p> <p>Step 4 Then, we add the cost of any No Claim Bonus protection you have chosen.</p> <p>Step 5 Then, we add the cost of any optional covers you may have chosen (unless you have chosen Lay up cover, then we will adjust your premium in line with your reduced cover).</p>	IAG.0003.0120.0912

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
				<p>Step 6 We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from Step 5.</p> <p>Step 7 To the amount in Step 6, we add applicable government charges to work out the premium you need to pay.</p>	
9.	On or after 16 February 2017	16 February 2017 to 9 June 2017	As above	As above	IAG.0003.0120.0917
10.	On or after 10 June 2017	10 June 2017 to 27 May 2018	As above	As above	IAG.0003.0120.0922
11.	On or after 28 May 2018	28 May 2018 to 23 September 2018	As above	As above	IAG.0003.0120.0927
12.	As above	24 September 2018 to 31 March 2019	As above	As above	IAG.0003.0120.0932
13.	On or after 1 April 2019	1 April 2019 to 29 June 2019	<p>Your insurance premium generally reflects is based on 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:</p> <ul style="list-style-type: none"> ▶ Pricing factors ▶ Policy options 	As above	IAG.0003.0120.0937

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<ul style="list-style-type: none"> ▶ No Claim Bonus ▶ Loyalty Discount, and ▶ Government charges. <p>Other commercial factors affect the premium you pay, including costs associated with doing 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 also affected by other things such as new and updated data we use to calculate your premium.</p>		
14.	As above	30 June 2019 to 19 July 2020	<p>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:</p> <ul style="list-style-type: none"> ▶ Pricing factors ▶ Policy options ▶ No Claim Bonus ▶ Loyalty Discount, and ▶ Government charges. <p>Other commercial factors affect the premium you pay, including costs</p>	As above	IAG.0003.0120.0942

	Date PED applied to policies with renewal effective date	Date range PED applied to renewed policies	How we work out your premium	How we calculate your [relevant policy type] premium	Doc ID
			<p>associated with doing 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 also affected by other things such as new and updated data we use to calculate your premium.</p>		