

# Home & Contents Insurance

Your guide to Premiums, Excesses,  
Discounts and Claim Payments

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The Premiums, Excesses, Discounts and Claim Payments (**Guide**) is designed to provide you with additional information about how we calculate premiums and determine excesses and discounts for the policy. You should read this Guide together with our Home & Contents Insurance Product Disclosure Statement (**PDS**) dated 19 October 2012. Words defined in the PDS have the same meaning in this Guide.

**This guide applies to policies from 16 February 2016.**

## About your premium

The premium is the amount you pay us for your insurance. It reflects what we consider is the likelihood of you making a claim, other factors related to our cost of doing business and any discounts we give you, stamp duty, goods and services tax (GST) and fire services levy (FSL) if applicable in your state or territory. Your certificate of insurance will show you how much you have to pay.

When we calculate your premium there are a range of factors we take into account. The importance we place on the factors we use can change and how these factors combine to affect your premium will differ from person to person.

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 including:

- The cost of claims we have paid to other customers and claims we expect to pay in the future;
- New and updated data we use to calculate your premium;
- Changes in government taxes and any state or territory duties or levies;
- Our expenses of doing business;
- Other commercial factors.

When determining your renewal premium, we also consider how much you paid last time. As such we may limit movements up or down.

Significant factors affecting your premium include a combination of some of the following:

Factor
The address of the insured home or unit
Sum insured
The type of insurance you have chosen (home, contents or both)
The level of cover you have chosen (Classic, Classic Extras or Classic Advantages)
Any optional covers you have chosen
Construction material and other characteristics of the home or unit
Age of the oldest named insured
How the home or unit is occupied
The standard excess you choose
Risk mitigation measures (in certain locations)

## Paying by the month

Your premium will be higher if you choose to pay by the month, rather than annually.

# Premium discounts

Discounts are also a significant factor that can affect your premium. The premium you pay for your insurance includes any discounts we have given you. Any discounts are usually applied before the application of government taxes and charges.

The main discounts we offer are:

- Multi-policy discount;
- QLD Seniors Card discount.

From time to time we might also offer discounts or some other special offer as part of a marketing campaign. If we do this, separate terms and conditions will usually apply. The amount and type of discounts that may be offered can change or be withdrawn.

## Multi-policy discount

A multi-policy discount rewards you with a discount off your premium for holding three or more eligible paid personal insurance policies with us. There must be a common mailing address and the person(s) seeking the discount must be nominated as an insured with the same name on each eligible policy. If you take out a new policy which means you qualify for the multi-policy discount, you are eligible to receive the discount on that new policy immediately and on your other existing policies from their next renewal date, provided you still qualify. If you believe you are eligible for the multi-policy discount but it is not shown on your certificate of insurance, please contact us. Eligible personal insurance policies are home, contents, car, motorhome, motorcycle, caravan and boat. QLD Compulsory Third Party insurance also counts as an eligible policy but the premium cannot be discounted.

## QLD Seniors Card discount

We will give you a discount if you let us know you are a Queensland Seniors Card holder.

# Government taxes & charges

Home and Contents Insurance policies are subject to stamp duty, imposed by state and territory governments, GST and in some states, a fire service levy (FSL). These charges are usually applied as the final step in the premium calculation.

# Your excess

An excess is the amount you have to pay for each incident when you make a claim.

The amount and types of excesses that apply to your policy are shown on your certificate of insurance. Depending on the circumstances, you might have to pay more than one type of excess when you claim.

**The different types of excesses are:**

## Standard excess

You can choose a standard excess from the levels we offer. The levels we offer usually fall between \$0 and \$5,000.

## Additional excess

In some circumstances, an additional excess may apply based on our assessment of the risk. This can be due to reasons such as claims history, location and building type. This excess will appear on your certificate of insurance and is applicable in addition to any other excess unless stated otherwise in the PDS.

## Personal valuables excess

The excess that applies for a claim made under personal valuables cover is \$100. The standard excess does not apply to claims made only under optional personal valuables cover.

## Injury to pet dogs and cats excess

An excess of \$100 will apply if you make a claim under the optional cover for injury to your pet dogs and cats. The standard excess does not apply to claims under optional injury to pet dogs and cats cover.

## Earthquake and tsunami excess

In addition to any other excess, an excess of \$300 will apply if you make a claim for loss or damage as a result of an earthquake or tsunami.

## Unoccupied excess

In addition to any other excess, an unoccupied excess of \$1,000 will apply if you claim for loss or damage to your home or contents which occurs when your property has been unoccupied for more than **60** continuous days.

# Claim payments

The following examples are designed to illustrate how a claim payment might typically be calculated. The examples do not cover all scenarios or all benefits and do not form part of your policy terms and conditions. They are a guide only. Suncorp Insurance always determines real claim payments on an individual basis, after we have assessed each claim. You should read the PDS and your insurance schedule for full details of what we cover as well as what policy limits, conditions and exclusions apply.

Notes about the claim payment examples:

- all amounts are shown in Australian dollars and are GST inclusive;
- all examples assume that the policy holder is not registered for GST.

## Example 1 – Total loss – Home claim

Your home is insured under Classic Extras cover and has a sum insured of \$380,000. Under the Classic Extras cover, the safety net home protection option is automatically included. Your standard excess for home is \$500.

Your city has been hit by a major cyclone and your home was one of many that were destroyed during the event. The scale of the event has caused an immediate surge in demand for building materials and tradespersons resulting in higher rebuilding costs.

The cost to rebuild the home now is \$440,000. To remove debris and clear the site will cost an extra \$40,000.

Adjustment to your home sum insured		Additional information
Home sum insured	\$380,000	Your sum insured is not enough to cover the cost to rebuild your home.
Safety net home protection option	\$380,000 x 25% = up to \$95,000	Safety net home protection option provides up to 25% extra home cover if your home sum insured falls short of rebuilding costs. See page 50 of the PDS.
Home sum insured + safety net home protection option	\$380,000 + \$60,000 \$440,000	This is now enough cover to rebuild your home.
How much we pay		Additional information
Cost to rebuild your home	\$440,000	We pay this amount directly to the builder.  The cost to rebuild is paid from the full amount of your home sum insured of \$380,000 plus \$60,000 provided under safety net home protection option.
Removal of debris	\$40,000	We pay this amount directly to the contractor.  Under the removal of debris additional feature we pay up to 15% of your home sum insured of \$380,000.  This amount is paid in addition to the home sum insured.
<b>Total amount of the claim</b>	<b>\$480,000</b>	
Less excess	- \$500	You pay your excess before we settle your claim.
<b>Total claim</b>	<b>\$479,500</b>	

## Example 2 – Accidental damage to contents

You currently have a Classic Extras contents policy which automatically includes accidental damage for your home contents. You have insured your home contents for \$60,000. A new entertainment unit for your television is delivered to your house. When carrying your television, which has a retail replacement value of \$3,500 across the lounge room to put it on the new entertainment unit, you stumble on a floor rug and drop the television on the timber floor. The television no longer works. A standard excess of \$500 was selected for this policy.

How much we pay		Additional Information
Television	\$3,200	As the television cannot be repaired we decide to replace the television with a new one that is equivalent to what you had prior to the accidental damage, rather than offer you a cash settlement. We arrange with a supplier to deliver and install the replacement television to you. Although the retail price of the television is \$3,500 it costs us \$3,200 to replace the television for you through our supplier.
Less excess	- \$500	You pay the standard excess of \$500. We will instruct you where and when to pay this.
<b>Total claim</b>	<b>\$2,700</b>	

## Example 3 – Personal valuables – specified items claim

You currently have a Classic Extras contents policy. Your property is located in QLD and you have insured your engagement ring as a listed item under personal valuables – specified items. The sum insured for your engagement ring is \$10,000. While you were swimming at your local beach your ring slipped off your finger and you are unable to find it and it has not been handed into police.

Your personal valuables – specified cover excess is \$100.

How much we pay		Additional Information
Cost to replace your ring	\$8,000	We are able to replace your lost ring new for old within your sum insured. Due to our supplier arrangements we are able to source the same item at less costs. A valuation of your new item will be provided.
Less excess	- \$100	Your personal valuables – specified items excess is \$100. We will request this amount from you before we settle your claim.
<b>Total claim</b>	<b>\$7,900</b>	We pay this amount directly to the jeweller. As we have replaced your engagement ring this listed item is removed from your policy and there is no premium refunded. If you want to cover the replacement ring then you will need to apply for new cover.

## Example 4 – Personal valuables – unspecified items claim

You currently have a Classic contents policy. Your property is located in NT and you have chosen \$3,000 of personal valuables – unspecified items cover. While bushwalking you accidentally drop your digital camera and it is damaged. Unfortunately the camera cannot be repaired and needs to be replaced. The cost to replace the digital camera is \$1,200.

Your personal valuables – unspecified items cover excess is \$100.

How much we pay		Additional Information
Cost to replace your camera	\$1,200	The most you can claim under personal valuables – unspecified items for any one item is \$1,000.
Limit of cover	\$1,000	
Less excess	- \$100	Your personal valuables – unspecified items excess is \$100. We will request this amount from you before we settle your claim.
<b>Total claim</b>	<b>\$900</b>	As the sum insured is not enough to replace the camera, we give this amount to you.

## Example 5 – Partial loss – Motor burnout option

You have insured your home under Classic cover and you have chosen the motor burnout option.

Your ducted air conditioning unit motor has suddenly stopped working. We appoint our Assessor who inspects the motor and reviews your repairer's report. The Assessor confirms the motor has burnt out. The age of the motor in the ducted air conditioning unit is 5 years old.

Your standard excess is \$500.

How much we pay		Additional Information
Cost to replace the motor	\$800	Under this option we cover the cost to either replace or repair the motor in the ducted air- conditioning unit. In this case the motor requires replacement and we agree with the cost of repairs from your repairer. You arrange for your repairer to proceed with replacement.
Less Excess	- \$500	Your standard excess is \$500. We deduct this amount from your settlement.
<b>Total claim</b>	<b>\$300</b>	We pay this amount to you.

## Example 6 – Partial loss home

Your home is insured under Classic Advantages and has a sum insured of \$470,000. Your home standard excess is \$500. A severe storm with gusty winds results in a tree falling onto your roof and damaging it significantly.

We assess that your home is not livable until repairs are completed and you and your family move into temporary accommodation for 4 weeks while repairs are undertaken. This accommodation costs \$2,000.

We assess the repairs to the roof will cost \$89,000.

How much we pay		Additional Information
Cost to repair your home	\$89,000	We pay this amount directly to the builder.
Temporary accommodation costs	\$2,000	We pay temporary accommodation costs up to 10% of your home sum insured of \$470,000. The costs are paid in addition to the sum insured. We normally reimburse you for these costs.
<b>Total amount of the claim</b>	<b>\$91,000</b>	
Less excess	- \$500	You pay your excess before we settle your claim.
<b>Total claim</b>	<b>\$90,500</b>	

## Example 7 – Legal Liability Home cover

Your home and contents are insured under your Classic level of cover.

During a dinner party at your home one of your guests was walking down the stairs, the area was dimly lit causing your guest to slip down the stairs and injure their ankle and lower back. Your guest has made a claim for their out of pocket expenses and loss of wages for a 6 week period for the amount of \$14,800. We assess this claim and agree you are liable for these amounts.

Your standard excess for home is \$1,000.

How much we pay		Additional Information
Total amount of liability	\$14,800	We assess the claim and agree you are liable. We pay this amount to the injured party.
Less excess	- \$1,000	You pay your home standard excess to us before we settle the claim.
<b>Total claim</b>	<b>\$13,800</b>	

## Example 8 – Legal Liability Contents cover

While riding a push bike along the road, your son who lives with you accidentally rode into a parked car causing scratches to the vehicle. The cost to repair the damage to the vehicle is \$2,000.

Your standard excess for contents is \$500.

How much we pay		Additional Information
Repair cost to the vehicle	\$2,000	We assess the claim and agree you are liable. We pay this amount to the owner of the damaged vehicle.
Less excess	- \$500	You pay your contents standard excess to us before we settle the claim.
<b>Total claim</b>	<b>\$1,500</b>	

## Example 9 – Partial Loss – Portable advantages

You have a Classic Advantages contents policy with a sum insured of \$150,000 and you have the Portable advantages optional cover. Whilst waiting for the bus at your local bus stop you forget and leave your shopping bag containing a new dress, your mobile phone and sunglasses under the bench seat. When you returned to the bus stop you were unable to locate the bag and it has not been handed to the bus company or police. Your contents standard excess is \$500.

How much we pay		Additional Information
Cost to replace new dress	\$180	Our settlement to you is a combination of replacement through suppliers, store cards, debit cards and cash.
Cost to replace mobile phone	\$800	
Cost to replace sunglasses	\$300	
<b>Total amount of the claim</b>	<b>\$1,280</b>	
Less excess	- \$500	You pay your excess to us before we settle your claim.
<b>Total claim</b>	<b>\$780</b>	

