



# **SGIC Landlord Insurance Premium, Excess, Discounts & Benefits Guide**

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This SGIC Landlord Insurance Premium, Excess, Discounts & Benefits Guide should be read with the SGIC Landlord Insurance Product Disclosure Statement and Policy Booklet (PDS) Edition 1 dated 1 June 2009.

It applies to policies issued in South Australia with a commencement date on or after 14 June 2009 or with a renewal effective date on or after 3 August 2009.

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

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If you would like any further information please call us on 133 233 or visit your nearest branch.

# How we work out your premium

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:

- ▶ pricing factors
- ▶ discounts
- ▶ policy options
- ▶ cost of choosing to pay by the month, and
- ▶ government charges.

## Pricing Factors

The premium you pay for your insurance reflects the likelihood of you making a claim together with the potential value of any claim. So, if you have a lower chance of making a claim then you will generally pay a lower premium compared to someone who has a higher chance of making a claim.

Our experience shows there are a number of factors that are a good indicator of the possibility of a claim being made. We call these pricing factors.

For Landlord Insurance policies the following table describes the pricing factors we may take into account to determine your premium for Buildings Insurance or Contents Insurance.

Pricing Factors	Buildings	Contents
The location of your rental property	✓	✓
The amount your rental property or its contents are insured for	✓	✓
The age of the insureds	✓	✓
Whether your rental property is occupied	✓	✓
The basic excess amount you choose	✓	✓
The construction material of your rental property and its roof	✓	✗
The year your rental property was built (see step 3 of 'How we calculate your premium')	✓	✗
The type of alarm fitted to your rental property	✗	✓

## Discounts

The following discounts are available depending on the type of insurance you have chosen:

- ▶ No Claim Bonus
- ▶ Multi-Policy Discount
- ▶ Years of Insurance Discount

We calculate the discounts that apply to your policy before we tell you what your premium will be. Please see the 'Discounts' section on page 8 of this guide for further details.

## Policy Options

If you have Buildings or Contents Insurance you may add cover for Flood as an option by paying any additional premium that applies.

## Cost of choosing to pay by the month

If you choose to pay your premium by monthly instalments you pay more than if you pay annually.

The extra premium you pay will be shown on your current Certificate of Insurance.

## Government charges

Landlord Insurance policies are subject to stamp duty imposed by state and territory governments in addition to GST.

Government Charges	Landlord Insurance
GST	10%
Stamp Duty	11%

## How we calculate your premium

### Step 1

First, we will combine the pricing factors.

### Step 2

Once this amount is calculated we work out any Multi-Policy Discount or Years of Insurance Discount that you may be eligible for and apply those to the amount from Step 1.

### Step 3

If your rental property is new, we work out any premium reduction that you may be eligible for and apply it to the buildings premium amount from Step 2.

### Step 4

We then work out any No Claim Bonus you may be eligible for and apply this to the amount from Step 3.

### Step 5

If you have both Landlord Buildings and Contents Insurance, we add your buildings premium and contents premium together.

### Step 6

Then, we add the cost of Flood if you have chosen this option and the cost of choosing to pay by the month.

### Step 7

To the amount in Step 6, we add applicable government charges to work out the premium you need to pay.

# Excess

An excess is an amount you pay when you lodge a claim. The amount and types of excess payable are shown on your current Certificate of Insurance. You may have to pay more than one type of excess depending on your circumstances.

There are five types of excess

- ▶ basic
- ▶ earthquake
- ▶ rent default
- ▶ flood
- ▶ special

## Basic excess

If you make any type of claim you must pay any basic excess that applies. You do not have to pay an excess if you make a liability claim.

In addition to the basic excess, we will also deduct four times the weekly rental amount that is listed on your rental agreement for the following events:

- ▶ Theft or attempted theft – by a tenant or their guest
- ▶ Vandalism or a malicious or intentional act – by a tenant or their guest

If you choose a higher basic excess on your policy, you can decrease your premium.

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

### What are the choices of basic excess for Landlord Insurance?

You can choose one of the following amounts as your basic excess:

- ▶ \$100
- ▶ \$200
- ▶ \$300
- ▶ \$500
- ▶ \$750
- ▶ \$1000

## **Earthquake excess**

If under Buildings Insurance you make a claim for loss or damage as a result of the listed event of earthquake, you must pay the earthquake excess of \$500, or the basic excess, whichever is higher.

## **Rent default excess**

If you make a claim for rent default only, you must pay a \$300 rent default excess instead of the basic excess. If you make a claim for more than just rent default, you will need to pay a \$300 rent default excess in addition to any other excess that applies.

In addition to the rent default excess, we will also deduct four times the weekly rental amount that is listed on your rental agreement.

## **Flood Excess**

If you have chosen the Flood option and make a flood claim, you must pay the flood excess or the basic excess, whichever is higher. The flood excess applicable to your policy will be shown on your current Certificate of Insurance.

## **Special excess**

We may apply a special excess for one of the listed events. A special excess is payable in addition to your basic excess.

Any special excess applicable to your policy will be shown on your current Certificate of Insurance.

# Discounts

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

- ▶ No Claim Bonus
- ▶ Multi-Policy Discount
- ▶ Years of Insurance Discount

The way in which the discounts are applied to your premium is set out in the 'How we work out your premium' section on page 2 of this guide.

The discounts you have will be shown on your current Certificate of Insurance.

## No Claim Bonus

We give you a No Claim Bonus to reward you for having a good claims record. We calculate your No Claim Bonus based on your insurance and claims history.

The No Claim Bonus levels are:	
	15%
	10%
	5%
	0%

### How does No Claim Bonus work?

Each year at renewal, your Policy automatically moves up to the next level of No Claim Bonus if you make no more than one claim in that period of insurance.

If you make two or more claims in a period of insurance, your No Claim Bonus will be set to 0%. Liability claims do not affect your No Claim Bonus.

The way in which your policy's No Claim Bonus is applied to your premium is set out in the 'How we work out your premium' section of this guide on page 2.

## Multi-Policy Discount

A Multi-Policy Discount rewards you for holding multiple SGIC Insurance policies.

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

Multi-Policy Discount	How to qualify
<b>Save 10%</b> On your Landlord Insurance and your Home, Motor, Boat and Caravan or Trailer Insurance.	Hold the following: Motor Insurance + Home or Landlord Insurance
<b>Save 12.5%</b> On your Landlord Insurance and your Home and Motor Insurance.	Hold the following: Motor Insurance + Home or Landlord Insurance + SGIC/SGIO/NRMA Health Insurance*

To receive the Multi-Policy Discount, the qualifying products must:

- ▶ be current; and
- ▶ have at least one common insured named on each policy.

On existing policies the discount applies from the date of the next renewal after you qualify.

The way in which your Multi-Policy Discount is applied to your premium is set out in the 'How we work out your premium' section on page 2.

# SGIC Commercial policies (such as Business Insurance and Farm Insurance) and Veteran, Vintage and Classic Vehicle Policies do not entitle you to a Multi-Policy Discount

\* SGIC/SGIO/NRMA Health Insurance is provided by the insurer MBF Alliances Pty Ltd ABN 89 075 799 236.

## Years of Insurance Discount

Years of Insurance Discount rewards your loyalty. It is based on the number of years you have continuously held your policy with us.

Years of Insurance Discount	How to qualify
<b>Save 3%</b> On your Landlord Insurance.	Hold your Landlord Insurance policy with us for: 3 to 4 years.
<b>Save 5%</b> On your Landlord Insurance.	Hold your Landlord Insurance policy with us for: 5 to 9 years.
<b>Save 10%</b> On your Landlord Insurance.	Hold your Landlord Insurance policy with us for: 10+ years.

The way in which your Years of Insurance Discount is applied to your premium is set out in the 'How we work out your premium' section on page 2 of this guide.

# Helpline benefits 132 900

When you have a Landlord Insurance policy, we provide you with the following benefits.

## Helping you anytime, any day

Our Helpline telephone service provides you with help and advice 24 hours a day, seven days a week.

## Help at home

We can help you over the phone with maintenance or repairs by getting a tradesperson to give you an estimate of the likely repair costs.

## Help away from home

If you or your family are in Australia but away from your home, we can provide the following services over the phone:

- ▶ help you with travel directions or to change your travel arrangements
- ▶ when appropriate, get a trained nurse to help you find local medical facilities or communicate with relatives on behalf of the ill or injured person.

## Trauma counselling

If something happens to you or your family in Australia and we agree you need trauma counselling, we will arrange and pay up to \$1,000 for the trauma counselling.

If there is anything you don't understand about this SGIC Landlord Insurance Premium, Excess, Discounts & Benefits Guide, please call us on 133 233 or visit your nearest branch.

## Notes



