

# SGIC Home Insurance Premium, Excess, Discounts & Benefits Guide

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This SGIC Home Insurance Premium, Excess, Discounts & Benefits Guide should be read with the SGIC Home Insurance Product Disclosure Statement and Policy Booklet (PDS) Edition 3, dated 9 January 2012.

It applies to policies issued with a home address in South Australia with a commencement date of 8 September 2013 or a renewal effective date on or after 21 October 2013.\*

We provide two levels of cover in the PDS:

- ▶ Home – provides our standard level of cover
- ▶ Home Plus – provides a higher level of cover

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

\* Call us on 133 233 for information about policies issued with a home address outside of South Australia.

## 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
- ▶ No Claim Bonus
- ▶ Policy options
- ▶ Loyalty Discount, and
- ▶ Government charges.

## Pricing Factors

Our experience shows us that there are a number of factors that are good indicators in determining risk, when calculating what your premium should be, for the cover we provide under the policy.

The following table contains the pricing factors we take into account to calculate your premium.

Pricing Factors	Buildings	Contents
The level of cover you have chosen – for example Home or Home Plus	✓	✓
The address of your home	✓	✓
The amount your buildings or contents are insured for (your sum insured)	✓	✓
The age of the insureds	✓	✓
How your home is occupied – for example, owner or renter	✓	✓
The way you use your home – for example, residential or business use	✓	✓
The construction materials of your home and roof	✓	×
The year your home was built (see step 3 of 'How we calculate your premium')	✓	×
The type of alarm fitted to your home	×	✓
The basic excess amount you choose	✓	✓

## No Claim Bonus

We give you a No Claim Bonus which ranges from 0% to 25% to reward you for your good claims history. A different No Claim Bonus may apply to each policy that you hold with us.

We calculate your Policy's No Claim Bonus level based on:

- ▶ number of years you have held insurance for, and
- ▶ your claims history.

Your current Certificate of Insurance will show any No Claim Bonus and any benefits that have been applied to your policy.

The way in which your Policy's No Claim Bonus is applied to your premium is set out in the 'How we calculate your Home premium' section of this guide on page 4.

### The No Claim Bonus levels are:

25%
20%
15%
12.5%
10%
5%
0%

### How does No Claim Bonus work?

A No Claim Bonus is calculated on each policy, unless your claims history does not entitle you to a No Claim Bonus.

Each year at renewal, your Policy's No Claim Bonus is recalculated. If you or any other owner does not make any claims in a policy year, your No Claim Bonus will move up one level, until you achieve our maximum No Claim Bonus of 25%.

For each claim made in a policy year, your No Claim Bonus will move down one level unless:

- ▶ you are eligible for and have chosen to pay to protect your Policy's No Claim Bonus;
- ▶ you have had No Claim Bonus Protection applied for free to your Policy; or
- ▶ your No Claim Bonus has been locked in for the life of your Policy.

### What is Paid No Claim Bonus Protection?

If you are on our 20% or 25% No Claim Bonus level you are eligible to pay a premium to protect your Policy's No Claim Bonus. If you choose to protect your No Claim Bonus it will not be affected for the first claim within a policy year.

### What is Free No Claim Bonus Protection?

If you hold our maximum 25% No Claim Bonus for a minimum of one year without making any claims, you are eligible for free No Claim Bonus Protection. This means your No Claim Bonus will not be affected for the first claim within the policy year.

### What is No Claim Bonus locked in for life?

If you hold our maximum 25% No Claim Bonus for 5 years and don't make any claims in that time, your Policy's No Claim Bonus is locked in for the life of the policy. This means your policy's No Claim Bonus will not be affected regardless of how many claims you make.

However:

- ▶ if we cease to offer a No Claim Bonus as part of our premium structure, our No Claim Bonus locked in for life will also change.

## Policy options

If you have any of the below Policies you may add the following policy options to your Policy by paying an additional premium that applies.

Buildings Insurance:

- ▶ Burn out of electric motors – fusion (automatically included with Home Plus)
- ▶ Accidental damage (automatically included with Home Plus)
- ▶ Pet lover's pack

Contents Insurance:

- ▶ Burn out of electric motors – fusion (automatically included with Home Plus)
- ▶ Accidental damage (automatically included with Home Plus)
- ▶ Valuable Contents
- ▶ Portable Contents
- ▶ Pet lover's pack

### 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.

## Loyalty Discount

Your Loyalty Discount is based on how long you have had a relationship with us and how many eligible policies you have. The longer you maintain your continuous relationship with us and the more policies you hold means a higher discount for you. This discount is determined for each individual customer and applied across all your eligible policies.

The way in which your Loyalty Discount is applied to your premium is set out in the 'How we calculate your Home premium' section of this guide on page 4.

Refer to the following Loyalty Discount table to see what discount you will be entitled to.

Years of Relationship	25+	12.5%	15%	17.5%	20%	22.5%	25%
	10-24	10%	12.5%	15%	17.5%	20%	22.5%
	5-9	7.5%	10%	12.5%	15%	17.5%	20%
	3-4	5%	7.5%	10%	12.5%	15%	17.5%
	0-2	0%	5%	7.5%	10%	12.5%	15%
		1	2	3-4	5-7	8-9	10+
	Policy Count						

If you have held a continuous relationship with us for 25+ years your Loyalty Discount will not decrease, even if you reduce the number of eligible policies you hold with us.

To receive a Loyalty Discount, the eligible policies 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.

On renewal your Certificate of Insurance will show a list of what policies contributed to your Loyalty Discount.

The following is a list of the policies that:

- ▶ contribute to your policy count
- ▶ are eligible to receive the Loyalty Discount

Policies	Policy Count	Discount applied
<b>Motor</b>		
Comprehensive	✓	✓
Comprehensive Plus	✓	✓
Third Party Fire and Theft	✓	✓
Third Party Property Damage	✓	✓
<b>Veteran, Vintage and Classic Vehicle</b>		
	✓	✓
<b>Home</b>		
Buildings	✓	✓
Contents	✓	✓
Buildings and Contents*	✓	✓
<b>Landlord</b>		
Buildings	✓	✓
Contents	✓	✓
<b>On-site Caravan</b>		
	✓	✓
<b>Touring Caravan</b>		
	✓	✓
<b>Boat</b>		
	✓	✓
<b>Trailer</b>		
	✓	✓
<b>Retail Business Insurance</b>		
	✓	✗

\* Policy Count equals 2.

## Excess

An excess is an amount you pay when you lodge a claim. You may have to pay more than one type of excess depending on your circumstances.

There are three types of excess:

- ▶ Basic
- ▶ Earthquake
- ▶ Special

The amount and types of excess payable are shown on your current Certificate of Insurance.

You do not have to pay an excess if you make:

- ▶ a liability claim,
- ▶ a claim for food spoilage (see Section 5 of your SGIC Home Insurance PDS), or
- ▶ a claim for an incident that we agree someone else is responsible for and:
  - you can provide the name and address of that person and,
  - the amount of the claim is more than the basic excess.

### Basic excess

If you make a claim you must pay any basic excess that applies. Choosing a higher basic excess reduces your premium.

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

\$100 (or NIL if you are 50 years or older), \$200, \$300, \$500, \$750, \$1,000, \$2,000, \$3,000, \$4,000 or \$5,000.

If you have combined your Buildings Insurance and Contents Insurance under one policy, then you can choose a different basic excess for your buildings and contents. Then, if you make a claim for loss or damage under:

- ▶ your buildings insurance you must pay us the buildings basic excess, or
- ▶ your contents insurance you must pay us the contents basic excess, or
- ▶ both your buildings and contents insurance you only pay one basic excess, whichever is higher. But if you have the Pet Lover's Pack cover and make a claim under that cover, then you pay us the lower basic excess.

### 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 buildings basic excess, whichever is higher.

### Special excess

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

## Government charges

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

Government Charges	Home Insurance
GST	10%
Stamp Duty	11%

## How we calculate your Home premium

### Step 1

First, we combine the pricing factors and the cost of any options you have chosen.

### Step 2

Then we add the cost of choosing to pay by the month.

### 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.

### 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.

### Step 5

Then, we add the cost of any No Claim Bonus protection you have chosen.

### Step 6

We then work out any Loyalty Discount that you may be eligible for and apply that to the amount from step 5.

### Step 7

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

## Helpline benefits 132 900

When you have a Home or Home Plus 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.

## Home@50 benefits

If you're 50 years or older we offer benefits in addition to other features of your Home and Home Plus Insurance policy.

### Benefits

- ▶ Reduced premiums at 50 – even if you're working full time
- ▶ A Nil basic excess option, so if you make a claim you won't have to pay a basic excess (you can still choose a higher excess to lower your premium)
- ▶ 15% discount on SGIC Travel Insurance<sup>†</sup>
- ▶ 15% discount on selected St John Ambulance Australia training courses and First Aid kits. To be eligible for the St John discounts, just quote your SGIC Home or Home Plus Insurance policy number when you call St John on 1300 360 455.
- ▶ Access to confidential legal advice through Helpline on 132 900, for one hour per period of insurance. Subjects covered include:
  - Tenancy/landlord
  - Buying and selling a property
  - Aged care
  - Neighbours and noise
  - Wills, Estates and Probate
  - Contracts advice
  - Powers of Attorney
  - Medical complaints
  - Credit and finance

We will pay the law firm for one matter up to one hour per period of insurance. Any charge for additional work is by agreement between you and the law firm. This service is unable to provide advice on any insurance related matter that may involve us or one of our related companies.

We may change the benefits or introduce more benefits from time to time.

If you qualify for Home@50 benefits it will be shown on your current Certificate of Insurance.

<sup>†</sup> SGIC Travel Insurance is issued by CGU Insurance Limited ABN 27 004 478 371. In deciding whether to buy or hold the product, you should consider the Product Disclosure Statement available on our website.

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