



# Home Insurance

## Additional Information Guide

This Additional Information Guide (Guide) for QBE Home Insurance provides you with more information about how we calculate premium, how excesses work, and how we settle claims under this policy.

This Guide applies to and should be read together with the QBE Home Insurance Product Disclosure Statement (PDS) QM8697-1020.

### Premium

Your premium is the cost of buying your policy. It is the amount we set by taking into account things like the chance of you making a claim under your policy, the cover options you've chosen, the overall cost of claims we expect to pay and our expenses of doing business, as well as other commercial factors.

Your premium also includes any discounts you've received, GST and other applicable government fees, duties and charges.

We use many factors to set your premium. The importance we place on these factors can change, and how we combine them to set the premium differs from policy to policy.

The significant factors we use to set your premium are:

| Factor                                                        | Description                                                                                                                                                                                                                                            |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Information about your home</b>                            | Including its location, types of construction materials, when your home was built, the type of building it is, the type of any swimming pool or spa it has, its number of storeys and the extent to which any part of it is above or below the ground. |
| <b>The sum insured of your home and/or contents</b>           | The higher the sum insured for your home and/or contents, the higher your premium will be.                                                                                                                                                             |
| <b>How your home is occupied</b>                              | Your premium will be higher if the home is your holiday home, compared to if it is your primary residence.                                                                                                                                             |
| <b>The Specified Contents listed</b>                          | Your premium will be higher if you list jewellery and/or watches and if you want them to be covered outside of a safe.                                                                                                                                 |
| <b>Information about household members and anyone covered</b> | Including the age of the oldest insured and any buildings or contents insurance claims made in the relevant three year period. Your premium may be higher depending on the type of claim and how long ago it was.                                      |
| <b>Claims made on your policy</b>                             | Your premium may be higher for up to three following policy years, after one or more claims on your policy.                                                                                                                                            |
| <b>Your selected basic excess(es)</b>                         | The higher the basic excess(es) you have selected, the lower your premium will be.                                                                                                                                                                     |
| <b>Your payment frequency</b>                                 | Your premium will be approximately 10% lower if you pay for your policy annually instead of by instalments.                                                                                                                                            |

## Cover options

An additional premium applies for each option that you add to your policy:



### Accidental Damage option

We determine the additional premium for this option based on your other policy details, as well as any accidental damage insurance claims made by household members and anyone covered in the relevant three year period, and any accidental damage claims made on your policy in the prior three years.



### Portable Contents option

We determine the additional premium for this option based on the type of items you want covered away from your home and their sum insured. We also consider any portable contents insurance claims made by household members and anyone covered in the relevant three year period, and any portable contents claims made on your policy in the prior three years.

## Renewals

Each time you renew your policy, your premium is likely to change even if your insured circumstances haven't changed. This is because we use many factors to set your premium.

When we set your renewal premium, we'll consider how much it was before, and we may limit any increase in that renewal term.

## Discounts

We may offer discounts or other special offers from time to time. A discount that you have received will be displayed in the premium breakdown on your Certificate of Insurance or else included within your premium.

| Discount type                                     | Description                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Combined Policy Discount</b>                   | A 10% discount is automatically applied when you take out both buildings and contents cover for the same address under the one policy.                                                                                                                                                                                     |
| <b>Risk Mitigation Discount (Queensland only)</b> | This discount is currently available to owner occupied freestanding homes in Queensland which have been certified for the completion of cyclone mitigation upgrades under the Queensland Government 'Stronger Homes - Household Resilience Program'. The size of discount depends on the type of upgrade made to the home. |



## Excess

### When does an excess apply?

In most cases, you'll need to contribute an amount towards the cost of a claim.

The table below explains the excesses that apply to common claim types. For other types of claims, we'll tell you what excesses apply when you make a claim.

Please refer to your Certificate of Insurance for the excesses that apply to your policy.

## When does an excess apply?



|                                                   | If shown on your Certificate of Insurance                                                                                                              |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                   | Basic Excess - Contents                                                                                                                                | Basic Excess - Buildings | Imposed excess                       | Renovation, Alteration, Addition or Repair Excess                                                                                    | Unoccupied Property Excess for Agreed period                                                                         | Unoccupied Property Excess                                                                                                                                                             |
| Type of claim                                     | If you make a claim for both your buildings and contents as a result of the same incident, you'll only have to pay the highest applicable Basic Excess |                          | May apply due to your claims history | Only applies if we have agreed to provide cover for the works and the damage occurs as a direct result of the work being carried out | Only applies if we've agreed to cover and incident occurs more than 90 days after your property was first unoccupied | Applies if you do not tell us that your property address will be unoccupied.<br><br>Number of consecutive days unoccupied:<br>91-365 days: <b>\$1,500</b><br>366+ days: <b>\$4,500</b> |
| Insured events                                    |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Fire                                              |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Escape of water or other liquid                   | ✓                                                                                                                                                      | ✓                        | ✓                                    | ✓                                                                                                                                    | ✓                                                                                                                    | ✓                                                                                                                                                                                      |
| Accidental breakage of glass or sanitary fixtures |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Explosion                                         |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Theft or burglary                                 |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Storm, storm surge, rain, hail or flood           |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Vandalism or malicious act                        | ✓                                                                                                                                                      | ✓                        | ✓                                    | ✗                                                                                                                                    | ✓                                                                                                                    | ✓                                                                                                                                                                                      |
| Burnout of electric motors                        |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Damage by animals (including birds)               |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Lightning                                         |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Earthquake or tsunami                             |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Collision                                         | ✓                                                                                                                                                      | ✓                        | ✓                                    | ✗                                                                                                                                    | ✗                                                                                                                    | ✗                                                                                                                                                                                      |
| Falling tree or branch                            |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Riot                                              |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Legal Liability                                   | ✗                                                                                                                                                      | ✗                        | ✗                                    | ✗                                                                                                                                    | ✗                                                                                                                    | ✗                                                                                                                                                                                      |
| Options you can add to your policy                |                                                                                                                                                        |                          |                                      |                                                                                                                                      |                                                                                                                      |                                                                                                                                                                                        |
| Accidental Damage option                          | ✓                                                                                                                                                      | ✓                        | ✓                                    | ✓                                                                                                                                    | ✓                                                                                                                    | ✓                                                                                                                                                                                      |
| Portable Contents option                          | ✓                                                                                                                                                      | ✗                        | ✓                                    | ✗                                                                                                                                    | ✗                                                                                                                    | ✗                                                                                                                                                                                      |



## Claim payment examples



These claims payment examples are based on hypothetical scenarios designed to illustrate how a claim payment might typically be calculated. These claims examples are a guide only and do not form part of your policy's cover.

If you lodge a claim under this policy, it will be assessed and settled in accordance with your policy's terms, including the terms and excesses stated on your Certificate of Insurance.

You should read the PDS and your Certificate of Insurance for full details of cover including the policy limits, conditions and exclusions which apply to your policy.

Each claim example uses AUD currency, inclusive of GST, and assumes the claimant is not registered for GST.

### Example 1 - Hail damage to garage roof

Tony's garage roof is damaged by hail during a storm.

#### Insurance details

|                                        |                                                                                            |                                 |                     |
|----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------|---------------------|
| <b>Buildings sum insured</b>           | \$600,000                                                                                  | <b>Basic Excess - Buildings</b> | \$500               |
| <b>Buildings Sum Insured Safeguard</b> |  Eligible | <b>Basic Excess - Contents</b>  | \$600               |
| <b>Contents sum insured</b>            | \$100,000                                                                                  | <b>Cover option(s) selected</b> | None                |
| <b>Specified Contents</b>              | None listed                                                                                | <b>Mortgage</b>                 | Nil                 |
|                                        |                                                                                            | <b>Premium</b>                  | Paid by instalments |

#### How we settled the claim

|                              |                |                                                                                                   |
|------------------------------|----------------|---------------------------------------------------------------------------------------------------|
| <b>Cost of repairs</b>       | \$3,500        | We arranged to repair Tony's roof.                                                                |
| <b>Total claim cost</b>      | \$3,500        | We accepted this claim under the insured event "Storm, storm surge, rain, hail or flood".         |
| <b>Excess</b>                | \$500          | Since this claim was only for the buildings, we collected the Basic Excess - Buildings from Tony. |
| <b>Total paid out by QBE</b> | <b>\$3,000</b> |                                                                                                   |

## Example 2 - Theft of contents

Thieves broke into Sylvia's home while she was out. They smashed a window to gain entry to the home and stole a necklace, ring and \$500 in cash.

### Insurance details

|                                        |                                                                                            |                                 |                     |
|----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------|---------------------|
| <b>Buildings sum insured</b>           | \$550,000                                                                                  | <b>Basic Excess - Buildings</b> | \$750               |
| <b>Buildings Sum Insured Safeguard</b> |  Eligible | <b>Basic Excess - Contents</b>  | \$500               |
| <b>Contents sum insured</b>            | \$120,000                                                                                  | <b>Cover option(s) selected</b> | None                |
| <b>Specified Contents</b>              | 2 carat cushion cut diamond engagement ring for \$3,500                                    | <b>Mortgage</b>                 | Nil                 |
|                                        |                                                                                            | <b>Premium</b>                  | Paid by instalments |

### How we settled the claim

|                                     |                |                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Cost of repairs</b>              | \$700          | We arranged to repair Sylvia's window glass.                                                                                                                                                                                                                                                                                                            |
| <b>Replacement cost of necklace</b> | \$2,500        | Independent qualified assessors value the necklace at \$3,000. Under this policy, Jewellery has a standard policy limit. The maximum cover provided per item of jewellery is \$2,500.<br><br>If Sylvia had listed the necklace on her policy for \$3,000 as 'Specified Contents', she would have been entitled to the full replacement cost of \$3,000. |
| <b>Replacement cost of ring</b>     | \$3,500        | We paid the cost to replace the ring, because it was listed as 'Specified Contents' and independent qualified assessors provided a similar market valuation.                                                                                                                                                                                            |
| <b>Cash stolen</b>                  | \$500          | We replaced the stolen cash.                                                                                                                                                                                                                                                                                                                            |
| <b>Total claim cost</b>             | \$7,200        | We accepted this claim under the insured event "Theft or burglary".                                                                                                                                                                                                                                                                                     |
| <b>Excess</b>                       | \$750          | Since this claim was for the buildings and contents, we collected the highest applicable Basic Excess from Sylvia.                                                                                                                                                                                                                                      |
| <b>Total paid out by QBE</b>        | <b>\$6,450</b> |                                                                                                                                                                                                                                                                                                                                                         |

## Example 3 - Fire Claim

A bushfire destroys Lucy's home. When rebuilding, she would like to have a solar hot water heating system installed. Lucy requires accommodation during the 24 weeks it takes to rebuild. Lucy wishes to use her own builder and arrange her own accommodation.

### Insurance details

|                                        |                                                                                            |                                 |               |
|----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------|---------------|
| <b>Buildings sum insured</b>           | \$600,000                                                                                  | <b>Basic Excess - Buildings</b> | \$750         |
| <b>Buildings Sum Insured Safeguard</b> |  Eligible | <b>Basic Excess - Contents</b>  | N/A           |
| <b>Contents sum insured</b>            | Not selected                                                                               | <b>Cover option(s) selected</b> | None          |
| <b>Specified Contents</b>              | N/A                                                                                        | <b>Mortgage</b>                 | Nil           |
|                                        |                                                                                            | <b>Premium</b>                  | Paid annually |

### How we settled the claim

|                                                     |                  |                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Rebuilding costs for Lucy's building</b>         | \$640,000        | We determined Lucy's building was a total loss and the cost of rebuilding was greater than the buildings sum insured.<br><br>We automatically increased the buildings sum insured paid to Lucy to rebuild the home as per cover provided under the 'Buildings Sum Insured Safeguard'. |
| <b>Replacement cost of Lucy's contents</b>          | \$0              | We did not cover the cost to replace contents as Lucy did not choose to cover her contents.                                                                                                                                                                                           |
| <b>Cost of temporary accommodation</b>              | \$24,000         | We paid the necessary and reasonable cost of temporary accommodation for Lucy and her family.                                                                                                                                                                                         |
| <b>Installation costs of solar hot water system</b> | \$2,500          | Post rebates, the solar hot water system cost \$4,000. The maximum cover provided for "Environmental upgrade - buildings" is \$2,500.                                                                                                                                                 |
| <b>Total claim cost</b>                             | \$666,500        | We accepted this claim under the insured event "Fire".                                                                                                                                                                                                                                |
| <b>Excess</b>                                       | \$750            | We collected the Basic Excess - Buildings from Lucy.                                                                                                                                                                                                                                  |
| <b>Total paid out by QBE</b>                        | <b>\$665,750</b> |                                                                                                                                                                                                                                                                                       |

*Note: Once we paid Lucy's total loss claim her policy came to an end. Lucy was not entitled to any refund of premium paid as our contract with her had been fulfilled*

## Example 4 - Cyclone claim

A cyclone destroyed Yang's home and contents eight months into his period of insurance. As he plans to move interstate, Yang does not wish to rebuild the home. It cost \$455,000 to rebuild Yang's home and would have taken 30 weeks to rebuild. Yang's mortgage has an outstanding balance of \$52,000.

### Insurance details

|                                        |                                                                                            |                                 |                     |
|----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------|---------------------|
| <b>Buildings sum insured</b>           | \$455,000                                                                                  | <b>Basic Excess - Buildings</b> | \$500               |
| <b>Buildings Sum Insured Safeguard</b> |  Eligible | <b>Basic Excess - Contents</b>  | \$500               |
| <b>Contents sum insured</b>            | \$100,000                                                                                  | <b>Cover option(s) selected</b> | None                |
| <b>Specified Contents</b>              | None listed                                                                                | <b>Mortgage</b>                 | Yes                 |
|                                        |                                                                                            | <b>Premium</b>                  | Paid by instalments |

### How we settled the claim

|                                             |                  |                                                                                                                                                                                                                                                                                |
|---------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Rebuilding costs for Yang's building</b> | \$455,000        | We determined that the property was a total loss.                                                                                                                                                                                                                              |
| <b>Amount paid to the finance company</b>   | \$52,000         | We first paid the bank the amount owing on Yang's mortgage.                                                                                                                                                                                                                    |
| <b>Amount paid to Yang</b>                  | \$403,000        | We paid Yang the cost to rebuild, less the amount owing on his mortgage.                                                                                                                                                                                                       |
| <b>Replacement cost of Yang's contents</b>  | \$103,200        | We determined that the property was a total loss.<br><br>As eight whole calendar months had passed since the start of the period of insurance, we increased the contents sum insured by 3.2% to \$103,200 as per cover provided under the 'Sum(s) insured adjustment feature'. |
| <b>Cost of temporary accommodation</b>      | \$30,000         | We paid the necessary and reasonable cost of temporary accommodation for Yang and his family.                                                                                                                                                                                  |
| <b>Cost to discharge mortgage</b>           | \$1,200          | We reimbursed Yang the costs to discharge his mortgage.                                                                                                                                                                                                                        |
| <b>Total claim cost</b>                     | \$589,400        | We accepted this claim under the insured event "Storm, storm surge, rain, hail or flood".                                                                                                                                                                                      |
| <b>Excess</b>                               | \$500            | Since this claim was for the buildings and contents, we collected the highest applicable Basic Excess from Yang.                                                                                                                                                               |
| <b>Remaining premium instalments</b>        | \$680            | Before we finalised his claim, Yang paid us his remaining instalments.                                                                                                                                                                                                         |
| <b>Total paid out by QBE</b>                | <b>\$588,220</b> |                                                                                                                                                                                                                                                                                |

*Note: Once we settled Yang's total loss claim, his policy came to an end as our contract with him had been fulfilled.*

## Example 5 - Collision damage to boundary fences

A motorist lost control of their car and collided with two of Emma's boundary fences, destroying both. The motorist left the scene of the accident without leaving their details and there were no witnesses. Emma shares one of these fences with her neighbour Warren, while the other fence has no neighbour. The fences are identical, built at the same time and are the same length. Each fence is \$4,000 to replace.

### Insurance details

|                                        |                                                                                            |                                 |                     |
|----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------|---------------------|
| <b>Buildings sum insured</b>           | \$350,000                                                                                  | <b>Basic Excess - Buildings</b> | \$1,000             |
| <b>Buildings Sum Insured Safeguard</b> |  Eligible | <b>Basic Excess - Contents</b>  | \$600               |
| <b>Contents sum insured</b>            | \$80,000                                                                                   | <b>Cover option(s) selected</b> | None                |
| <b>Specified Contents</b>              | None listed                                                                                | <b>Mortgage</b>                 | Yes                 |
|                                        |                                                                                            | <b>Premium</b>                  | Paid by instalments |

### How we settled the claim

|                              |                |                                                                                                                                 |
|------------------------------|----------------|---------------------------------------------------------------------------------------------------------------------------------|
| <b>Cost of repairs</b>       | \$6,000        | We paid for the total cost to replace the fence that was not shared. For the shared fence, we paid 50% of the replacement cost. |
| <b>Total claim cost</b>      | \$6,000        | We accepted this claim under the insured event "Collision".                                                                     |
| <b>Excess</b>                | \$1,000        | We collected the Basic Excess - Buildings from Emma.                                                                            |
| <b>Total paid out by QBE</b> | <b>\$5,000</b> |                                                                                                                                 |



## Example 6 - Air conditioner fails

Novane's air conditioner was eight years old when the motor failed. A technician confirmed that it had been burnt out by an electric current and couldn't be repaired.

### Insurance details

|                                        |                                                                                            |                                 |                     |
|----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------|---------------------|
| <b>Buildings sum insured</b>           | \$530,000                                                                                  | <b>Basic Excess - Buildings</b> | \$500               |
| <b>Buildings Sum Insured Safeguard</b> |  Eligible | <b>Basic Excess - Contents</b>  | N/A                 |
| <b>Contents sum insured</b>            | Not selected                                                                               | <b>Cover option(s) selected</b> | None                |
| <b>Specified Contents</b>              | N/A                                                                                        | <b>Mortgage</b>                 | Yes                 |
|                                        |                                                                                            | <b>Premium</b>                  | Paid by instalments |

### How we settled the claim

|                                       |                |                                                                                                     |
|---------------------------------------|----------------|-----------------------------------------------------------------------------------------------------|
| <b>Replacement of air conditioner</b> | \$2,100        | We paid to replace the air conditioner.                                                             |
| <b>Total claim cost</b>               | \$2,100        | We accepted this claim under the insured event "Burnout of electric motors".                        |
| <b>Excess</b>                         | \$500          | Since this claim was only for the buildings, we collected the Basic Excess - Buildings from Novane. |
| <b>Total paid out by QBE</b>          | <b>\$1,600</b> |                                                                                                     |

## Example 7 - Carpet damage

While painting a feature wall in his loungeroom, Aaron accidentally dropped an open tin of paint from his ladder onto the carpet. The carpet was damaged beyond repair. Aaron's lounge and dining room had the same carpet and were connected by an opening of 164cm.

### Insurance details

|                                        |                                                                                            |                                 |                          |
|----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------|--------------------------|
| <b>Buildings sum insured</b>           | \$680,000                                                                                  | <b>Basic Excess - Buildings</b> | \$750                    |
| <b>Buildings Sum Insured Safeguard</b> |  Eligible | <b>Basic Excess - Contents</b>  | \$500                    |
| <b>Contents sum insured</b>            | \$71,000                                                                                   | <b>Cover option(s) selected</b> | Accidental Damage option |
| <b>Specified Contents</b>              | None listed                                                                                | <b>Mortgage</b>                 | Yes                      |
|                                        |                                                                                            | <b>Premium</b>                  | Paid by instalments      |

### How we settled the claim

|                                |                |                                                                                                                                                                             |
|--------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Replacement carpet cost</b> | \$7,000        | We replaced the carpet in both the lounge and dining room, because they had the same carpet and the opening between them is more than 82cm so we consider them as one room. |
| <b>Total claim cost</b>        | \$7,000        | We accepted this claim under the "Accidental Damage option".                                                                                                                |
| <b>Excess</b>                  | \$500          | Since this claim was only for the contents, we collected the Basic Excess - Contents from Aaron.                                                                            |
| <b>Total paid out by QBE</b>   | <b>\$6,500</b> |                                                                                                                                                                             |

## Example 8 - Burst dishwasher hose

A hose to Loretta's dishwasher burst and flooded her kitchen, damaging the interior of her kitchen cupboards. She called a plumber who charged \$150 to replace and connect the new hose. She then called QBE to make a claim.

### Insurance details

|                                        |                                                                                            |                                 |                     |
|----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------|---------------------|
| <b>Buildings sum insured</b>           | \$440,000                                                                                  | <b>Basic Excess - Buildings</b> | \$250               |
| <b>Buildings Sum Insured Safeguard</b> |  Eligible | <b>Basic Excess - Contents</b>  | \$750               |
| <b>Contents sum insured</b>            | \$55,000                                                                                   | <b>Cover option(s) selected</b> | None                |
| <b>Specified Contents</b>              | None listed                                                                                | <b>Mortgage</b>                 | Yes                 |
|                                        |                                                                                            | <b>Premium</b>                  | Paid by instalments |

### How we settled the claim

|                                     |                |                                                                                                                                                                    |
|-------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Repairs to kitchen cupboards</b> | \$3,300        | We repaired the kitchen cupboards.<br>We did not reimburse Loretta for the new hose as we do not replace the item that causes the escape of water or other liquid. |
| <b>Total claim cost</b>             | \$3,300        | We accepted this claim under the insured event "Escape of water or other liquid".                                                                                  |
| <b>Excess</b>                       | \$250          | Since this claim was only for the buildings, we collected the Basic Excess - Buildings from Loretta.                                                               |
| <b>Total paid out by QBE</b>        | <b>\$3,050</b> |                                                                                                                                                                    |

## Example 9 - Trip and fall on steps

Chad tripped and fell on the front steps to Peter's home.

Chad suffered injuries that required treatment and he was unable to work for a short period of time. Chad brought a claim against Peter alleging that he was legally liable for his injuries because the incident occurred at his home, and his steps were too slippery.

Peter notified QBE of the claim Chad had brought against him. We investigated the claim and determined that Peter would be held liable if the matter was to proceed to a Court.

We spoke to Chad and obtained further information from him about the extent of his injuries and his losses.

### Insurance details

|                                        |                                                                                            |                                 |                     |
|----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------|---------------------|
| <b>Buildings sum insured</b>           | \$720,000                                                                                  | <b>Basic Excess - Buildings</b> | \$1,000             |
| <b>Buildings Sum Insured Safeguard</b> |  Eligible | <b>Basic Excess - Contents</b>  | N/A                 |
| <b>Contents sum insured</b>            | Not selected                                                                               | <b>Cover option(s) selected</b> | None                |
| <b>Specified Contents</b>              | N/A                                                                                        | <b>Mortgage</b>                 | Yes                 |
|                                        |                                                                                            | <b>Premium</b>                  | Paid by instalments |

### How we settled the claim

|                                |                 |                                                                                                            |
|--------------------------------|-----------------|------------------------------------------------------------------------------------------------------------|
| <b>Settlement paid to Chad</b> | \$25,000        | We assessed the evidence supporting Chad's claim and compensated him to discharge Peter's legal liability. |
| <b>Total claim cost</b>        | \$25,000        | We accepted this claim under "Legal liability"                                                             |
| <b>Excess</b>                  | \$0             | Peter's claim was under the "Legal liability" section of his policy, so his Basic Excess did not apply.    |
| <b>Total paid out by QBE</b>   | <b>\$25,000</b> |                                                                                                            |