



# **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 new and renewing policies effective from 11 November 2024 and should be read together with the QBE Home Insurance Product Disclosure Statement (PDS) QM8697.



Premium is what you pay us for this Policy. It's the amount we've calculated to accept the risk of insurance under this policy. It also includes any discounts you've received, GST and other applicable government fees, duties and charges.

When calculating your premium we take a number of factors into account, including the cover you have chosen and:

Description
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.
The higher the sum insured for your home and/or contents, the higher your premium will be.
Your premium will be higher if the home is your holiday home, compared to if it is your primary residence.
Your premium will be higher if you list jewellery and/or watches and if you want them to be covered outside of a safe.
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.
Your premium may be higher for up to three following policy years, after one or more claims on your policy.
The higher the basic excess(es) you have selected, the lower your premium will be.
Your premium will be approximately 10% lower if you pay for your policy annually instead of by instalments.



#### Information relating to premium calculation

The list of factors above is not exhaustive. We may take other factors into account and add or remove factors. The importance we place on the factors we use to calculate the premium and how the factors combine, all affect calculation of the premium. Some factors will not affect all components of the premium and all components of the premium may not be subject to discounts in the same way or at all.

How the factors combine to calculate premium may also be impacted according to your circumstances and other commercial factors. The premium, determined by a combination of the factors, may be adjusted up or down to reflect your circumstances and underwriting considerations including the risk being insured and the value of any claims. An underwriting adjustment may limit premium increases and decreases from the combination of the factors and any discounts.

Your previous year's premium is taken into account on renewal and may limit premium increases from the combination of the factors and any discounts.

The premium we calculate according to the rating factors, your circumstances and other commercial factors, including taxes and government charges, will be shown on your Certificate of Insurance.

#### **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. GST and government charges are applied to the premium after all discounts and savings are applied.

Discount type	Description			
Combined Policy Discount	A 10% discount is automatically applied when you take out both buildings and contents cover for the same address under the one policy.			
Risk Mitigation Discount	This discount is currently available to owner occupied freestanding homes in			
(Queensland only)	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.			





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

The table on the next page 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.

# How we apply the excess(es) for unspecified items worth more than the standard policy limit

Where a maximum limit is applicable under 'Contents with Limits', the excess will be applied to the claim prior to applying the maximum limit.

For example, if a ring worth \$4,000 was stolen from the home and it had not been listed as a Specified Contents item, the \$2,500 per item standard policy limit for jewellery would apply. If the Basic Excess - Contents was \$500, this would be applied to the \$4,000 claim, rather than to the \$2,500 maximum limit. Therefore, \$2,500 would be payable.

If the ring had been listed as a Specified Contents item for \$4,000, we would pay \$3,500 i.e. the \$4,000 claim less the \$500 excess.

If the stolen ring was worth only \$1,000, we would pay \$500 i.e. \$1,000 less the \$500 excess.

## 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	both your b contents as a same incider have to pay	e a claim for uildings and a result of the nt, you'll only the highest 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 have agreed to provide cover for the period of unoccupancy and the 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.  Number of consecutive days unoccupied: 91-365 days: \$1,500 366+ days: \$4,500
Insured events						
Fire Escape of water or other liquid Accidental breakage of glass or sanitary fixtures Explosion	<b>~</b>	<b>~</b>	~	~	<b>✓</b>	~
Theft or burglary Storm, storm surge, rain, hail or flood Vandalism or malicious act Burnout of electric motors Damage by animals (including birds)	<b>✓</b>	<b>✓</b>	~	×	<b>✓</b>	<b>✓</b>
Lightning Earthquake or tsunami Collision Falling tree or branch Riot	<b>~</b>	<b>~</b>	~	×	×	×
Legal Liability	×	×	×	×	×	×
Options you can add	Options you can add to your policy					
Accidental Damage option	~	~	<b>~</b>	~	~	<b>~</b>
Portable Contents option	<b>~</b>	×	~	×	×	×



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

#### How we settled the claim

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



## **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**

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

#### How we settled the claim

Cost of repairs	\$700	We arranged to repair Sylvia's window glass.
	Ψ700	we arranged to repair syrvia's window glass.
Replacement cost of necklace	\$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.
		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.
Replacement cost of ring	\$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.
Cash stolen	\$500	We replaced the stolen cash.
Total claim cost	\$7,200	We accepted this claim under the insured event "Theft or burglary".
Excess	\$750	Since this claim was for the buildings and contents, we collected the highest applicable Basic Excess from Sylvia.
Total paid out by QBE	\$6,450	



## **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**

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

#### How we settled the claim

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

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**

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

#### How we settled the claim

Rebuilding costs for Yang's building	\$455,000	We determined that the property was a total loss.
Amount paid to the finance company	\$52,000	We first paid the bank the amount owing on Yang's mortgage.
Amount paid to Yang	\$403,000	We paid Yang the cost to rebuild, less the amount owing on his mortgage.
Replacement cost of Yang's contents	\$103,200	We determined that the property was a total loss.  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'.
Cost of temporary accommodation	\$30,000	We paid the necessary and reasonable cost of temporary accommodation for Yang and his family.
Cost to discharge mortgage	\$1,200	We reimbursed Yang the costs to discharge his mortgage.
Total claim cost	\$589,400	We accepted this claim under the insured event "Storm, storm surge, rain, hail or flood".
Excess	\$500	Since this claim was for the buildings and contents, we collected the highest applicable Basic Excess from Yang.
Remaining premium instalments	\$680	Before we finalised his claim, Yang paid us his remaining instalments.
Total paid out by QBE	\$588,220	

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**

Buildings sum insured	\$350,000	Basic Excess - Buildings	\$1,000
Buildings Sum Insured	Eligible	<b>Basic Excess - Contents</b>	\$600
Safeguard	Liigible	Cover option(s) selected	None
Contents sum insured	\$80,000	Mortgage	Yes
Specified Contents	None listed	Premium	Paid by instalments
Cost of repairs	\$6,000	•	replace the fence that was not shared. For the of the replacement cost.
How we settled the c	laim 		
		shared fence, we paid 50% o	of the replacement cost.
Total claim cost	\$6,000	We accepted this claim unde	er the insured event "Collision".
Excess	\$1,000	We collected the Basic Exce	ss - Buildings from Emma.
Total paid out by QBE	\$5,000		



## **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**

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

#### How we settled the claim

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



## **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**

**Total paid out by QBE** 

\$6,500

Buildings sum insured	\$680,000	Basic Excess - Buildings	\$750
<b>Buildings Sum Insured</b>	<b>Eligible</b>	<b>Basic Excess - Contents</b>	\$500
Safeguard	Ligible	Cover option(s) selected	Accidental Damage option
Contents sum insured	\$71,000	Mortgage	Yes
Specified Contents	None listed	Premium	Paid by instalments
How we settled the cla	aim		
Replacement carpet cost	\$7,000	We replaced the carpet in both the lounge and dining room, because they ha the same carpet and the opening between them is more than 82cm so we consider them as one room.	
Total claim cost	\$7,000	We accepted this claim unde	er the "Accidental Damage option".
Excess	\$500	Since this claim was only for Contents from Aaron.	the contents, we collected the Basic Excess -
		-	



## **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**

·	Contents sum insured	\$55,000	Mortgage	Yes
Eligible Basic Excess - Contents \$750	Buildings sum insured Buildings Sum Insured	\$440,000	Basic Excess - Buildings Basic Excess - Contents	\$250 \$750

Total paid out by QBE	\$3,050		
Excess	\$250	Since this claim was only for the buildings, we collected the Basic Excess - Buildings from Loretta.	
Total claim cost	\$3,300	We accepted this claim under the insured event "Escape of water or other liquid".	
Repairs to kitchen cupboards	\$3,300	We repaired the kitchen cupboards.  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.	



## 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**

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

#### How we settled the claim

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

QM8700-1124 **13** of 13