

Premium, Excess and Discount Guide

Building, Contents and Personal Valuables

Introduction

This RAC Building, Contents and Personal Valuables Insurance Premium, Excess and Discount (PED) Guide provides you with information about how we calculate our premiums and the excesses and discounts which may apply to your RAC Building, Contents and Personal Valuables Insurance policy.

You should read this PED Guide with your RAC Buildings, Contents and Personal Valuables Insurance Combined Product Disclosure Statement and Financial Services Guide.

This PED Guide applies to new or renewed policies commenced on or after 1 July 2015.

About your premium

The premium is the amount you must pay us for your insurance cover. Your premium is shown on your schedule.

We consider a number of factors when calculating your premium including, but not limited to the following pricing factors:

Pricing factors	Buildings	Contents
Location of your building	✓	✓
The sum you are insured for	✓	✓
Age and construction type of your building	✓	✓
Who occupies your building	✓	✓
Your age	✓	✓
Whether you have amended your basic excess	✓	✓
Whether you pay your premium annually or in instalments	✓	✓
Costs associated with operating our business	✓	✓
Government charges	✓	✓
Discounts that may apply to you	✓	✓

We may use some or all of these factors to derive your premium.

All insurance risks are not the same and so the combination of factors used and relevance they have in the overall premium will differ for each risk.



For the better

You will need to specify the sum insured for your building and contents at the commencement of your cover. Please refer to our online calculators at rac.com.au for guidance on calculating the sum insured.

You need to review your sum insured at the beginning of each subsequent period of insurance or when changes occur. We may also review the sum insured at the beginning of each subsequent period of insurance.

The sum insured is shown on your schedule.

When you renew your insurance your premium is likely to change, even if your personal circumstances have not. This is because the premium you pay is also affected by the cost of claims we have paid, or expect to pay, to other members and updated data we have available to calculate your premium.

Cancellation charge

If you cancel your policy during the period of insurance, a cancellation charge of 10% of the unused premium will be applied.

Credit card charges

We do not charge a merchant fee when you pay your premium or your excess by credit card.

GST and government charges

Your RAC Building, Contents and Personal Valuables Insurance is subject to Goods and Services Tax (GST) and government charges (insurance duty) as shown below.

The amounts payable in GST and government charges for any given year are shown on your schedule.

GST and government charges	Amount
GST	10%
Insurance duty	10%

Instalment charges

If you pay your premium by instalments a 10% premium loading will apply. This amount is included in the premium shown on your schedule.

Other fees and charges

No refund or request for payment will be made if:

- » Your policy is changed or cancelled and the premium refund or premium payable is less than \$10.
- » You make an under or overpayment to us of less than \$10.

Excess

An excess is the amount you may be required to pay towards any claim.

The amount and types of excess applicable to your policy are shown on your schedule. You may have to pay more than one excess depending on the circumstances of your claim.

Basic excess

You will be asked to pay this amount when you claim on your policy. You can pay an additional premium to remove your buildings and/or contents basic excess.

If you have a claim where one event impacts combined policies, then the basic excess is capped at a total of \$200. However, this does not apply if you have varied any of your basic excesses.

Insurance type	Basic excess
Building claim	\$200
Contents claim	\$200
Personal valuables claim	\$100
Contents accidental damage claim	\$350

Earthquake excess

In addition to the basic excess you will be required to pay an earthquake excess of \$500 for every claim you make for destruction or damage to your building if the damage is caused by an earthquake during any one 72 hour period.

Flood excess

In addition to the basic excess you will be required to pay a flood excess of \$200 for every claim you make for loss, destruction or damage caused by flood.

Special excess

We may decide to apply a special excess to your policy after taking into account factors that may affect your risk such as your building, your contents or your claims history.

A special excess is payable in addition to all other excesses.

You cannot pay an additional premium to remove a special excess.

Discounts and savings

Your premium includes the discounts you are eligible for. Discounts may not apply to policy options and may be subject to a minimum premium. We may also offer additional discounts from time to time and the relevant terms and conditions will be specified as part of the offer. For details on specific discounts, refer to the information below or contact us on **13 17 03**.

Combined discount

We offer a 15% discount to anyone who buys combined building and contents insurance.

Alarm discount

You may be eligible for an alarm discount provided the alarm meets our approval criteria. This discount is available on a contents policy only and varies based on the type of alarm you have installed.

Alarm type	Discount
Non monitored alarm	Up to 12.5%
Monitored alarm	Up to 15%
RAC monitored alarm	Up to 25%

Online discount

The discount we offer for policies taken out online at **rac.com.au** depends on the type of insurance you have chosen.

The online discount applies to the first year of insurance only.

Insurance type	Discount
Building	\$35
Contents	\$35
Combined building and contents	\$70

RAC membership discount

We offer up to a 10% discount on RAC Building and Contents Insurance for Roadside Assistance, Rewards and Wheels2go members.

RAC membership	Discount
Gold (25 or more years)	10%
Silver (10-24 years)	7.5%
Bronze (5-9 years)	5%
Blue (up to 4 years), Red and <i>free2go</i>	0%

RAC Insurance Pty Limited ABN 59 094 685 882
AFS Licence Number 231222



For further information on this guide please visit rac.com.au

For the better