

Apia Assisted Living Residence Insurance

Premiums, Excesses, Discounts and
Claims Payment Guide

Rewarding experience



Your Guide to Premiums, Excesses, Discounts and Claims Payments

This Assisted Living Residence Insurance Premiums, Excesses, Discounts and Claims Payment Guide (**PED Guide**) is designed to provide you with additional information about how we calculate premiums for, and pay claims under, this policy.

You should read this Guide together with the Apia Assisted Living Residence Insurance Product Disclosure Statement (PDS), dated 19 October 2012, and your certificate.

This Guide is relevant to you if your policy has a commencement effective date on or after 31 May 2013 or renewal effective date on or after 1 July 2013.

About your premium

The premium is the amount you pay us for this insurance. It includes the risk premium which reflects what we consider is the likelihood of you making a claim, other factors related to our cost of doing business and any discounts we give you, stamp duty, goods and services tax (GST) and fire services levy if applicable.

When we calculate your premium, there are a range of factors we take into account. The importance we place on the factors we use can change and how those factors combine to affect your premium will differ from person to person.

Significant factors affecting your premium include a combination of some or all of the following:

- The address of where your contents are kept;
- Sums insured;
- Type of security at the insured address;
- Whether you have selected Specified valuables cover.

Each time you renew your insurance your premium is likely to change, even if your personal circumstances have not changed. This is because the premium you pay is also affected by other things including:

- The cost of claims we have paid to other customers and claims we expect to pay in the future;
- New and updated data we use to calculate your premium;
- Changes in government taxes and any state or territory duties or levies;
- Our expenses of doing business; and
- Other commercial factors.

When determining your renewal premium, we also consider how much you paid last time and as such we may limit movements up or down.

Premium discounts

Discounts are also a significant factor that can affect your premium. The premium you pay for your insurance includes any discounts we have given you.

The main discount we offer is:

- Multi-policy discount - We might reward you with a discount for having more than one policy with us. Some policies are not eligible for a discount and whether or not we give you a discount can also depend on the combination of products you hold with us. To find out more about the multi-policy discount, please phone us on **13 50 50**.

From time to time we might also offer discounts or some other special offer as part of a marketing campaign. If we do this, separate terms and conditions will usually apply and you might not be eligible for our usual discounts.

If you are eligible for more than one discount we usually apply any subsequent discount to the already discounted premium. Discounts might not apply to optional covers.

The amount and type of discounts offered can change or be withdrawn.

Government taxes and charges

Contents insurance policies are subject to stamp duty imposed by state and territory governments, GST and in some states fire services levy. These charges are usually applied as the final step in the premium calculation.

Excesses

The amount and types of excess that apply to your policy are shown on your certificate and are also described in the PDS. The different types of excesses are:

Contents excess

The excess that applies for a claim under contents is \$100 unless another amount is shown on your certificate of insurance.

Specified valuables excess

The excess that applies for a claim under the specified valuables optional cover is \$100.

Claims payment examples

The following examples are designed to illustrate how a claim payment might be typically calculated. They are a guide only. Apia always determines real claim payments on an individual basis, after we have assessed each claim.

Notes about the claims payment examples:

- all amounts are shown in Australian dollars and are GST inclusive;
- all examples assume that the named insured is not registered for GST.

You should read the PDS and your certificate for full details of what we cover as well as what policy limits, conditions and exclusions apply.

Example 1: Legal liability

While walking down the road with your walker, you accidentally trip and hit your walker against a parked car causing damage and scratches to the paintwork of the vehicle. The cost to repair the damage to the vehicle is \$1,000. Your contents excess is \$100.

What you are claiming	How much we pay to settle your claim	Further information
Total amount of liability	\$1,200	Under 'Legal liability', we cover your legal liability up to \$20 million, including all associated legal costs. We pay the person who claimed against you \$1,200.
Less excess	-\$100	You pay your excess before we settle your claim.
Total claim	\$1,100	

Example 2: Accidental damage to contents

You have insured your contents for \$20,000. A new entertainment unit for your television is delivered to your residence. When you are carrying your television, which has retail replacement value of \$1,500, across the room to put it on the new entertainment unit, you stumble on a floor rug and drop the television on the floor. The television no longer works. A contents excess of \$100 applies to your policy.

What you are claiming	How much we pay	Further information
Total amount to replace the television - \$1,500	\$1,000	As the television cannot be repaired or replaced within the limits of your policy, we settle your claim for \$1,000 which is the most we will pay per item, pair set or collection.
Less excess	-\$100	We deduct this from your settlement.
Total claim	\$900	

Example 3: Total loss

Your contents has a sum insured of \$30,000 and you have selected optional cover – Specified valuables cover of \$4,000 for your engagement ring. There is a fire at your residence and we determine that your contents are a total loss. A contents excess of \$100 applies to your policy and your specified valuables excess is \$100.

What you are claiming	How much we pay	Further information
Contents sum insured	\$30,000	We are satisfied with the evidence you have provided us about the contents you have lost in the fire. Our settlement to you maybe a combination of replacement through our suppliers and cash.
Specified valuables cover	\$4,000	We are satisfied with the evidence you have provided us for the engagement ring lost in the fire. We arrange through one of our suppliers to replace this ring for you.
Less excess	-\$100	As you are claiming under both contents and specified valuables cover arising from the same incident, you pay the higher of your contents and specified valuables excesses. In this case, both excesses are the same so you pay \$100. We deduct the applicable \$100 excess from the settlement.
Total claim	\$33,900	As we have replaced your engagement ring this item is removed from your policy and there is no refund of unused premium. If you want to cover the replacement ring then you will need to apply for new cover.

Example 4: Specified valuables cover

You have insured your engagement ring for \$6,000 under Specified valuables cover on your policy. While you were swimming at your local beach your ring slipped off your finger and you are unable to find it. You have a \$100 specified valuables excess.

What you are claiming	How much we pay	Further information
Cost to replace your ring	\$5,000	We replace your lost ring new for old within the sum insured shown on your certificate for that item. We pay the jeweller \$5,000.
Less excess	-\$100	You pay your excess before we settle your claim.
Total claim	\$4,900	As we have replaced your engagement ring this item is removed from your policy and there is no refund of unused premium. If you want to cover the replacement ring then you will need to apply for new cover.

Australian Pensioners Insurance Agency Pty Limited ABN 14 099 650 996 (Apia) is an authorised representative of Australian Alliance Insurance Company Limited ABN 11 006 471 709, the product issuer. On 1 July 2013 Australian Alliance Insurance will transfer its general insurance business to AAI Limited ABN 48 005 297 807 which will then issue Apia branded general insurance and appoint Australian Pensioners Insurance Agency as its authorised representative.