

PREMIUM & PAYMENTS GUIDE

RACT INSURANCE STRATA INSURANCE

Premiums and Payments

The Premium and Payments (PPG) Guide is a document containing additional information about how we calculate your premium, and how we determine excesses and discounts in connection with your policy. You should read this PPG in conjunction with your Strata Product Disclosure Statement (PDS) and any Supplementary Product Disclosure Statement (SPDS).

Premiums

When we calculate your premium, we take into account a number of factors. These may include:

- sum insured;
- period of insurance;
- address, age and construction of your Strata building;
- your previous insurance and claims history;
- payment method selected;
- discounts you may be eligible for.

The total premium payable by you also includes compulsory government charges (including duties and GST). The details are shown on your current schedule.

Each time you renew your insurance, your premium is likely to change, even if your personal circumstances have not changed. This is due to the cost of claims paid, expected cost of future claims, new and updated data we use to calculate your premium, and our business administration costs.

You may pay your premium annually or at our option by instalments. Your premium may be higher when you choose to pay in instalments, rather than annually.

Discounts and special offers

Any discount or special offer that you may be eligible for can affect your premium. The premium you pay for your insurance includes any discounts or offers we have given you. Any discounts or offers you receive are usually calculated and applied before the government charges are added.

The discounts we offer include

- **Special offers** are advertised from time to time and will usually have separate terms and conditions that apply. Details are available from us on request. These offers may be withdrawn at any time.

Payments

Excesses			
Strata	Standard	Additional	Earthquake or Tsunami
	The standard excess for Strata is \$300 .	An additional excess may be applied when some aspects of the property or owner to be insured fall outside our normal underwriting guidelines.	This additional excess is \$200 .

Claim payments

The following tables are a guide to how we may calculate claim payments, but they don't cover all scenarios or benefits. GST considerations have been made.

Claims are assessed and determined on an individual basis. You should read the PDS in conjunction with your current schedule for full details of what we cover, including information on how we settle your strata claim, as well as policy limits, excesses, conditions and exclusions that apply.

Example 1 - Partial loss Strata claim

A unit in your Strata building was damaged during a storm. Roofing iron was loosened in the strong wind and as a result, heavy rain entered the building through the damaged roof area and damaged plaster walls and fixed flooring in the unit. Your standard excess is **\$300**.

How much we pay

Cost to repair the strata unit	\$8,000
We arrange repairs and pay what it costs us to repair the strata unit directly to the repairer.	
Less excess payable	\$300
The Excess shown on your schedule	
TOTAL CLAIM AMOUNT PAID	\$7,700

Example 2 - Additional cover: Matching and modifying

The oven in one of your strata units has been damaged beyond repair as a result of a fire and needs to be replaced. Unfortunately, they no longer make the same model and we are unable to find another model with the same dimensions as the existing model, so we purchase another oven that is a similar model and we also modify the kitchen unit to fit the new oven. Your standard excess is **\$300**.

How much we pay

Replace the oven under the fire claim	\$3,000
The oven is paid for as part of your fire claim	
We will pay up to \$1,000 to modify the kitchen unit to fit the new oven.	\$900
In addition to the amount paid for the oven, we also pay to make the adjustment to your kitchen unit to fit the new oven which costs \$900 .	
The maximum we will pay is \$1,000 per unit per claim.	
Less excess payable	\$300
The Excess shown on your schedule.	
TOTAL CLAIM AMOUNT PAID	\$3,600

This PPG came into effect on 1st of June 2019

The insurer of this product is RACT Insurance Pty Ltd
ABN 96 068 167 804 AFS Licence No 229076.

The Royal Automobile Club of Tasmania Limited
ABN 62 009 475 861 acts as an agent for
RACT Insurance Pty Ltd, not as your agent.