



HOME INSURANCE PREMIUM, EXCESS AND DISCOUNTS GUIDE

This CGU Home Insurance Premium, Excess and Discounts Guide should be read with and forms part of the CGU Home Insurance Product Disclosure Statement and Policy Booklet (PDS) prepared on 24 February 2025.

It applies to all policies with a commencement date on or after 3 March 2025 or with a renewal effective date on or after 19 April 2025.

This guide provides further information about the cost of Your insurance and excesses You may need to pay if You make a claim. The capitalised terms used in this guide have the same meaning as those used in the PDS.

How We work out Your Premium

Your Premium is the total amount We charge for providing You with insurance under the Policy. The price charged for each policy is unique to the individual purchasing the policy and is determined by Us through consideration of a range of factors relevant to Your personal circumstances, the nature of the risk insured and commercial considerations affecting Our business. The premium We quote on one day may be different to what We would quote on a later date.

Some of the factors We consider when calculating Your Premium include:

- Claims experience
- Commercial considerations
- Choice of excess and policy options
- Minimum & maximum premium
- Government charges
- Intermediary commissions

The above factors are explained in further detail within this Premium, Excess and Discounts Guide.

Claims experience

Two significant factors in determining Your Premium are the likelihood of a claim being made on Your Policy in the future and the anticipated cost of a claim, if one were to occur.

Our experience shows there are a number of factors that are good indicators of the possibility of a claim being made and/or the cost of a claim, if one were to occur. Those factors and the weight We attach to them may vary according to Your circumstances.

For home buildings and contents insurance policies, some of the factors that We may take into account in determining Your Premium include a combination of some or all of the following:

- Policy type;
- level of cover;
- optional benefits You have chosen;
- the Sums Insured You have chosen;
- any Excesses or special conditions that apply;
- the materials used to build Your Home and when Your Home was built;
- the address of Your Home;
- the Flood risk and other natural perils risk of Your Home;
- how Your Home is occupied – for example, if You are an owner or renter;
- if there is an alarm installed and the type of alarm;
- Your age and claims history of Your property and/or the insureds.

This is not an exhaustive list of the factors We take into account.

We collect information in relation to these factors from You and other sources and We use Our data, models and experience to assess how important each factor is for Your Policy. At any time We may change the relative significance of any of the factors or how they combine to affect Your Premium, and We may add or remove factors from the calculation as We require.

Commercial Considerations

There are many additional commercial considerations We take into account when determining Your Premium. How important these commercial considerations are and how they work together to affect the calculation of Your Premium will differ from customer to customer. These commercial considerations might be general to Our business as well as specific to You.

Commercial considerations We may take into account can include, but are not limited to, the following:

- Our assessment of market forces and competitive factors including estimates of the number of customers that may purchase or renew Our insurance products;
- the costs and profitability considerations of operating Our business;
- Our reinsurance costs;
- Commercial factors relevant to the operation of Our business such as Our assessment of the price We think is appropriate to attract and retain Your business; and
- the operation of any discounts, marketing offers, intermediary commissions, taxes and charges.

Your Premium is likely to change each time You renew Your Policy because Your circumstances, the considerations We take into account and Our weighting of them will change. We also consider Your previous Premium and may take steps to limit the change in Your Premium at renewal of Your Policy.

Choice of Excess and Policy options

If You have chosen a higher Standard Excess, this may reduce Your Premium. If You have chosen to lower Your Standard Excess, this may increase Your Premium. You should make sure the Standard Excess You choose is appropriate for You, taking into account Your Sum Insured and the limits of any additional benefits or optional benefits.

Depending on the type of cover You have chosen, You may add optional benefits to Your Policy by paying any additional Premium amount that applies. The optional benefits available under Your Policy are shown in the Product Disclosure Statement and any optional benefits You have chosen will be shown on Your Certificate of Insurance.

Minimum and maximum Premium

Your Premium, as adjusted by any discounts You may be eligible for, are subject to minimum and maximum premiums. We consider the minimum and maximum amounts We are prepared to sell the Policy for and may adjust Your Premium to ensure it does not fall outside that range. Any discounts will be applied to Your Policy, only to the extent any minimum premium is not reached. When We determine Your Premium on renewal, We may also limit any increases or decreases in Your Premium by considering factors such as Your previous year's Premium amount. This means that any discount You may be eligible for may be reduced if it would have the effect of reducing the Premium below the minimum premium level We have determined.

Government charges

Premiums for home buildings and contents insurance policies are subject to Commonwealth and state taxes and/or charges which include stamp duty and Goods & Services Tax and may include fire or emergency services levies if applicable. Any government charges forming part of Your Premium will be shown on Your Certificate of Insurance.

Discounts

If more than one discount applies to Your Policy, We will apply each subsequent discount in a predetermined order to the already discounted Premium.

For example, if You are eligible for two 10% discounts, the second discount will apply to the Premium that has already been discounted by 10%. This means the discounts are applied one at a time, after each other, in a particular order, as opposed to adding them together and applying them as a 20% discount.

While We may offer discounts at renewal, the discounted renewal Premium is not directly comparable to the Premium a new customer might receive.

The amount and type of any available discounts may be changed or withdrawn at Our discretion at renewal. We may change or withdraw those discounts without notice. Any discounts may be subject to rounding.

If You have any questions about the discounts that are available to You, and how We have applied these to Your Policies, please call us on 1300 943 690 to discuss this with one of Our consultants.

Campaigns and other discounts

We may also offer discounts as part of a marketing campaign or other arrangement. Separate terms and conditions may apply to such campaigns and other discounts, including that You may not be eligible for those campaigns and other discounts and that some campaigns and other discounts may only be available on new Policy purchases. Any discounts offered as part of a marketing campaign or other arrangement will be shown on Your Certificate of Insurance under the 'Offers' section.

Excess

An Excess is Your contribution towards the cost of a claim. Your Certificate of Insurance shows the type of Excess(es) that applies to Your Policy and the amount of the Excess(es). We may apply more than one type of Excess. We will tell You if You need to pay an Excess, or more than one Excess. If We request You pay the Excess, We will tell You who to pay and may require payment as part of the finalisation of Your claim. You cannot pay an additional Premium to remove any Excess from Your Policy.

There are three types of Excess that may apply to Your Policy:

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| • Standard Excess – this applies to most claims under the Policy; |
| • Imposed Excess – this applies in addition to the Standard Excess if it is shown and as set out on the Certificate of Insurance; |
| • Portable Contents Excess – this applies when You make a claim on Portable Contents. |

Standard Excess

If You make any type of claim You must pay the Standard Excess that applies. The Standard Excess will be shown on Your Certificate of Insurance.

In some circumstances a Standard Excess does not apply – see the “When an Excess does not apply” section for details.

If You have both 'Building' and 'Contents' insurance under Your Policy, You can choose a different Standard Excess for Your 'Building' and 'Contents' insurance. If You make a claim for loss or damage under:

- 'Building' insurance, You must pay Us the Standard Excess for 'Building' shown on the Certificate of Insurance;
- 'Contents' insurance, You must pay Us the Standard Excess for 'Contents' shown on the Certificate of Insurance; and
- both 'Building' and 'Contents' insurance, You only pay Us one Standard Excess whichever is higher of the Standard Excess for 'Building' or the Standard Excess for 'Contents'.

Imposed Excess

This Excess is paid in addition to any Standard Excess if it is shown and as set out on the Certificate of Insurance. An Imposed Excess may be applied by Us if We assess there is a higher risk. For example, if Your Home will be unoccupied for a long period of time, We may apply an Imposed Excess for any claims made while the Home is unoccupied. We will set out details of any Imposed Excess and the circumstances in which it applies on the Certificate of Insurance.

Portable Contents Excess

If You make a claim on Portable Contents You must pay the Portable Contents Excess that applies. The Portable Contents Excess will be shown on Your Certificate of Insurance.

In some circumstances a Portable Contents Excess does not apply – see the 'When an Excess does not apply' section for details.

If Your Portable Contents, General Contents and Home Building are damaged in an event that We cover under 'Cover for loss or damage to Your Home and Contents', You are required to pay the highest excess of the Portable Contents Excess or the Home Building or General Contents Standard and Imposed Excesses as shown on Your Certificate of Insurance.

When an Excess does not apply

You will not be required to pay one or more Excesses in the following circumstance:

- If You make a claim under 'Cover for liability'.

You may be eligible for a refund of one or more Excesses if:

- You make a claim for an incident We are satisfied someone else is responsible for and:
 - You can provide the name and address of that person; and
 - the amount of the claim is more than the Standard Excess.

In order for Us to resolve whether You or someone else is responsible for an incident, We may request additional information – for example, witness statements or photographs – and consider any laws, bylaws or rules that apply to the claim circumstances.

If there is anything You don't understand or if you have any questions about this CGU Home Insurance Premium, Excess and Discounts Guide, please contact Us on 1300 943 690 or visit [cgu.com.au](https://www.cgu.com.au)