

# Apia Landlord Insurance

## Additional Information Guide

This Additional Information Guide (AIG) provides additional information about how we calculate premiums, our excesses, and worked dollar examples. You should read this AIG together with our Apia Landlord Insurance Product Disclosure Statement (PDS) dated 17/02/2025.

**This AIG is relevant to you if your policy has a commencement or renewal date on or after 21 June 2025.**

### Your excess(es)

The amount and types of excesses that apply to your policy are shown on your certificate. Depending on the circumstances, you might have to pay more than one type of excess when you claim.

**The different types of excesses are:**

#### **Property excess and contents excess**

You can choose a property excess and a contents excess from the range we offer. The range we offer usually falls between \$100 and \$5,000.

#### **Theft or burglary by tenants or their guests excess**

An excess of \$500 will apply in addition to any other excesses that apply for any claim under the insured event 'Theft or burglary by tenants or their guests' (see page 47 of the PDS).

#### **Malicious acts and vandalism by tenants or their guests excess**

An excess of \$500 will apply in addition to any other excesses that apply for any claim under the insured event 'Malicious acts and vandalism by tenants or their guests' (see page 48 of the PDS).

#### **Unoccupied excess**

In addition to any other excesses applicable, an unoccupied excess of \$500 will apply if at the time of the incident covered by your policy the property or unit hasn't been occupied for more than 60 continuous days.

## About your premium

The cost of your insurance is called the 'premium'. Your premium will depend on many factors. Your premium for each period of insurance will be shown on your certificate.

We'll calculate your premium based on:

- Your risk
- Any discounts applied
- Any variable excess you choose
- Any applicable GST, stamp duty, other government charges and levies that apply.

Your risk – we work this out using factors we consider important, including the address, occupancy type, the type of property you're insuring, the materials and characteristics of the property/unit, relevant claims history, the amount and type of cover you select, the policy options chosen, and prior insurer.

This isn't a list of all our risk factors. We collect information in relation to risk factors from you and other sources. The importance we place on the factors we use can change and how these factors combine to affect your premium will differ from person to person. We may add or remove factors.



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
- Our expenses of doing business
- Other commercial factors.

When determining your renewal premium, we also consider your previous premium. As such we may limit movements up or down.

## Premium discounts

Discounts are also a factor that can affect your premium. The premium you pay for your insurance includes any discounts we have given you. Discounts are applied before we add government taxes and charges. We determine eligibility for a discount on your renewing policy when we calculate your renewal offer.

The main discounts we offer are:

- Multi-policy discount
- Work Less Pay Less® discount.

From time to time we might also offer a discount or some other special offer as part of a marketing campaign. If we do this, separate terms and conditions may apply. We regularly offer a discount for buying a new policy online through our website. The amount and type of discounts that may be offered can change or be withdrawn.

If you're eligible for more than one discount, we usually apply any subsequent discount to the already discounted premium.

### Multi-policy discount

A multi-policy discount (MPD) rewards you with a discount off your premium for holding two or more eligible paid Apia general insurance policies. There must be a common mailing address and the person(s) seeking the discount must be nominated as a policyholder with the exact same name on each eligible policy. If you take out a new policy and qualify for the MPD, you're eligible for the MPD on that new policy from its start date (if the discount isn't applied at purchase, we endeavour to process the discount within 90 days from policy start date). You're eligible to receive the MPD on your other existing eligible policies from their next renewal date, provided you're eligible for the MPD, and we still offer the MPD when we calculate your renewal offer.

Eligible Apia general insurance policies are home, contents, landlord, car, motorcycle, boat, caravan, and motorhome insurance. If you quote for a new policy via our website, we rely on your answers to our questions to establish eligibility.

To find out more about the multi-policy discount or if you believe you're eligible for the multi-policy discount but it isn't shown on your certificate, please contact us on **13 50 50** or via our webchat.

### Work Less Pay Less® discount

You could receive this discount if at least one policyholder works less than 37 hours per week. This discount is based on your employment status as noted on your certificate under the heading 'What You Have Told Us'.

## Government taxes and charges

After we have calculated the amount of premium to cover your property and contents (if you have a combined policy) or to cover your property or contents if you don't have a combined policy, any applicable GST, stamp duty, other government charges and any levies are then applied.

## Claim settlement examples

The following examples are a guide only and are designed to illustrate how a claim payment might be calculated. The examples don't cover all scenarios or all benefits and don't form part of your policy terms and conditions.

Apia always determines real claim payments on an individual basis, after we've assessed each claim.

Notes about these claim payment examples:

- if any excess(es) applies to your claim, we'll choose whether to deduct the applicable excesses from the amount we pay or direct you to pay the excesses to us. The excess amounts stated are examples only and may be different to your excess(es)
- all amounts are shown in Australian dollars and are GST inclusive (where applicable)
- all examples assume that the policyholder is not registered for GST.

**Example 1: Total loss, emergency repairs and other repair/rebuilding costs, loss of rent**

You've insured your property for \$340,000 and you haven't insured the contents. There's a fire at your property and we determine that your property is a total loss. Your property was rented to a paying tenant at the time of the fire. In this example, a property excess of \$500 applies to your policy.

What you are claiming		Additional information
Building costs plus contents consisting of carpets, curtains and blinds	\$345,000	A member of our supplier network assesses the property as a total loss and the amount of the assessed quote to rebuild is \$340,000. You choose to accept the offer, and the builder proceeds with the rebuild. You're also covered up to the limit of \$5,000 under the additional cover 'Landlord furnishings' on page 70.
Removal of debris	\$15,000	The cost to remove debris from the insured address is \$15,000. We'll pay these costs directly to our supplier or reimburse you for these costs.
Architect's fee	\$12,000	It is necessary to engage an architect to design your replacement property. The architect's fee is \$12,000. We pay this amount directly to the architect.
Extra rebuilding costs	\$20,000	Your property didn't comply with the relevant building code that came into effect after your property was built. These extra rebuilding costs are \$20,000. We pay this directly to the builder. The above costs are covered under the 'Emergency repairs and other repair/rebuilding costs' additional cover. The most we'll pay for any one incident is a combined total of these costs, up to 15% of the property sum insured. In this instance, the total costs for the removal of debris, the architect's fee, and the extra rebuilding costs to make the property comply with building regulations and laws are \$47,000. This amount doesn't exceed 15% of the property sum insured ( $\$340,000 \times 15\% = \$51,000$ ), therefore all 3 separate amounts are covered and payment is made as noted.
Environmental improvements	\$2,000	You want to install a rainwater tank at the property under the 'Environmental improvements' additional cover. As this amount is less than the \$2,500 limit under this additional cover, the amount of the assessed quote to rebuild is more than 80% of the property sum insured, and your property didn't already have a rainwater tank, we pay you this cost.
Loss of rent	\$20,000	The property is unable to be lived in and your tenants decide to find alternative accommodation during the time it takes to rebuild your property. You're covered under the additional cover 'Loss of rent following an insured event' as you're unable to lease the property. Your tenant was paying \$500 per week rent (net the amount decided for the agent's commission and fees). A member of our supplier network determines that the rebuild should take forty (40) weeks to complete.
Less excess	-\$500	In this example, you choose to pay this amount directly to us.
<b>Total claim</b>	<b>\$413,500</b>	

**Example 2: Partial loss, loss of rent, tenant default**

Your tenant signed a rental agreement on a fixed term basis where the weekly rental amount is \$350. Your tenant leaves the property without notice with twelve (12) weeks left until the end of the rental agreement. That same tenant also deliberately put a hole in one of the walls of your property which costs \$800 to repair and left the property with rubbish inside and in a dirty state. You secure a new tenant for the property 10 weeks after the former tenant abandoned the property. In this example, your property excess is \$500.

What you are claiming		Additional information
Loss of rent	\$2,100	There's no cover provided for an amount less than four (4) times the weekly rental amount ( $4 \times \$350 = \$1,400$ ). As you were able to secure a new tenant 10 weeks after the former tenant abandoned the property, the \$1,400 is deducted from the 10 weeks lost rent ( $\$350 \times 10 \text{ weeks} = \$3,500 - \$1,400 = \$2,100$ ). Note: Cover is limited to fourteen (14) weeks in total for Loss of rent – tenant default up to a maximum of \$10,000.
Cleaning the property and removing rubbish left by tenant	\$0	This isn't covered by your policy.
Less excess	\$0	No excess applies to the 'Loss of rent - tenant default' cover (but there is a four week wait period as explained above).
Damage to wall	\$0	As both your property excess of \$500 plus the malicious acts and vandalism by tenants or their guests excess of \$500 apply to the claim for damage to the wall, you decide to withdraw this part of your claim.
<b>Total claim</b>	<b>\$2,100</b>	

### Example 3: Partial loss, landlord furnishings, loss of rent following an insured event

Your property has a sum insured of \$400,000. You've elected not to purchase contents cover. Your tenants weekly rental amount is \$450. During a severe storm your property partially loses its roof and rainwater damages the carpets in the lounge room. In this example, a property excess of \$500 applies to your policy.

What you are claiming		Additional information
Roof repairs	\$15,000	A member of our supplier network provides an assessed quote of \$15,000 to complete the repairs. You accept this offer, and we pay \$15,000 directly to the builder.
Carpet restoration	\$1,500	Under the 'Landlord furnishings' additional cover your policy extends to cover of up to \$5,000 for your domestic furnishings, furniture, and carpets whilst in the property, if loss or damage occurs due to an insured event. A member of our supplier network is able to restore the carpets and quotes \$1,500 for this work. We pay the carpet cleaners for the restoration of the carpet.
Loss of rent	\$900	The property is unable to be lived in and your tenant moves out while repairs are completed. You're covered under the additional cover 'Loss of rent following an insured event' as you're unable to lease the property. Your tenant was paying \$450 per week (net the amount decided for the agent's commission and fees). A member of our supplier network determines that the repairs should take two weeks to complete (2 x \$450 per week).
Less excess	-\$500	In this example, you pay your property excess to us before we finalise your claim.
<b>Total claim</b>	<b>\$16,900</b>	

### Example 4: Legal Liability

You've insured your property and your tenant has made a claim against you for the amount of \$10,000 arising from injuries they sustained when they tripped over a large crack running across the driveway of your property. It's determined that you're liable for this amount. A \$500 property excess applies to your policy.

What you are claiming for		Additional information
Liability for personal injury to a third party	\$10,000	Under 'Legal liability', we cover your legal liability up to \$20 million, including all associated legal costs we've agreed to pay following your claim. We pay this amount to the injured party.
Less excess	-\$500	In this example, you pay the property excess to us before we settle the claim.
<b>Total claim</b>	<b>\$9,500</b>	

### Financial Claims Scheme

In the unlikely event of an insurer becoming insolvent, a person entitled to claim under protected policies may be entitled to payment under the Financial Claims Scheme (FCS). Access to the scheme is subject to eligibility criteria.

You can find our more information about the FCS from the APRA website at [www.fcs.gov.au](http://www.fcs.gov.au).