

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 GIO Landlord Insurance Product Disclosure Statement (PDS) dated 31/01/2025.

This AIG is relevant to you if your policy has a commencement or a renewal date on or after 24 May 2025.

Your excess(es)

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

The different types of excesses are:

Standard excess

You can choose a standard excess from the levels we offer. The levels we offer usually fall between \$100 and \$5,000.

Additional excess

An additional excess may apply based on our assessment of your risk due to reasons such as location and building type. This excess is payable in addition to any other excesses applicable unless your policy states otherwise.

Motor burnout excess

The excess that applies for a claim made under optional Motor burnout cover is \$100 (plus any other applicable excesses). The standard excess doesn't apply to claims made only under Motor burnout.

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 43 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 44 of the PDS).

Loss of rent – tenant default excess

Certain types of claims under additional cover 'Loss of rent – tenant default' (see page 56 of the PDS), have their own excess of \$500, instead of the standard excess (plus any other applicable excesses). If your claim includes other loss or damage, the standard excess also applies, unless stated otherwise in your policy.

Earthquake and tsunami excess

In addition to any other excess, an excess of \$300 will apply if you make a claim for loss or damage as a result of an earthquake or tsunami.

Unoccupied excess

In addition to any other excesses applicable, an unoccupied excess of \$1,000 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 of insurance.

We'll calculate your premium based on:

- Your risk
- Any discounts applied
- The standard 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, and the policy options chosen.

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. Your premium will cost less if you pay annually, rather than by instalments.

The premium you pay is also affected by other things including:

- The cost of claims we've 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
- Combined Landlord property and contents 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 three or more eligible paid personal insurance policies with us. There must be a common mailing address and the person(s) seeking the discount must be nominated as a policy holder with the exact same name on each eligible policy. If you take out a new policy and qualify for the MPD, you're eligible to receive the discount 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 when we calculate your renewal offer.

Eligible personal insurance policies are home, contents, landlord, car, motorcycle, caravan, and boat insurance. A GIO NSW CTP Green Slip and a GIO ACT MAI insurance policy count as eligible policies, but the premium can't be discounted. 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 of insurance, please phone us on **13 10 10** or via our webchat.

Combined Landlord property and contents discount

If you insure your landlord property and contents for the same property under the same policy with us you'll be rewarded with a discount off your combined premium.

For renewals, this discount will apply provided your landlord property and contents for the same property remain insured under the same policy, when we calculate your renewal offer and this discount is still being offered.

If your unit is in a building insured by GIO Strata Insurance and you let us know, we reward you with a discount off your GIO Landlord Contents insurance for the contents you own in that unit.

Government taxes and charges

After we have calculated the amount of premium to cover your landlord insurance 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.

GIO 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 the supplier, repairer, or 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 policy holder is not registered for GST.

Example 1 – Total loss – Property and contents claim

The property has a sum insured of \$380,000. You have a contents sum insured of \$10,000. In this example, a property standard excess of \$500 and a contents standard excess of \$500 applies.

Your city has been hit by a major cyclone and the property was one of many that were destroyed during the event. The scale of the event has caused an immediate surge in demand for building materials and tradespersons resulting in higher rebuilding costs.

What you are claiming		Additional information
Property sum insured	\$380,000	A member of our supplier network assesses the property as a total loss and the amount of the assessed quote to rebuild is \$420,000. We'll apply the Safety net protection.
Safety net protection	$\$380,000 \times 25\%$ = up to \$95,000	Safety net protection provides up to 25% extra property cover if the property sum insured falls short of rebuilding costs. See page 61 of the PDS.
Property sum insured + Safety net protection	$\$380,000 + \$40,000$ = \$420,000	This is now enough cover to rebuild the property.
Cost to rebuild the property	\$420,000	We pay this amount directly to the builder. The cost to rebuild is paid from the full amount of the property sum insured of \$380,000 plus \$40,000 provided under the Safety net protection.
Environmental improvements	\$1,500	You want to install a rainwater tank at the property under the 'Environmental improvements' additional cover. We reimburse you this cost.
Cost to replace contents	\$10,000	A member of our supplier network assesses the cost to replace your contents is \$15,000. As your contents sum insured isn't enough, we pay you the full contents sum insured.
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 the property. You're covered under 'Loss of rent following an insured event' additional cover 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 (40 x \$500 per week).
Emergency repairs and other repair/rebuilding costs	\$35,000	We pay up to 15% of the property sum insured to remove the property debris from your land under additional cover 'Emergency repairs and other repair/rebuilding costs'. The debris damaged the property during the cyclone and it's necessary for the debris to be removed for the property to be rebuilt. In this example our supplier's quote to remove the debris was \$35,000. As this amount hasn't exceeded the 15% of the property sum insured limit, we'll either pay these costs directly to our supplier or reimburse you for these costs.
Claim costs	\$486,500	
Less excess	-\$500	In this example, you pay your standard excess to us before we finalise your claim. Because both the property and contents were damaged in the same incident, you only need to pay the higher of the property standard excess or the contents standard excess. In this case, they are both \$500 so you only need to pay \$500 once.
Total claim	\$486,000	

Example 2 – Loss of rent – tenant default claim

Your tenant has signed a rental agreement on a fixed term basis where the weekly rental amount is \$400. Your tenant leaves the property without notice and owes you twelve (12) weeks of outstanding rent. It takes an additional three (3) weeks to find new tenants.

What you are claiming		Additional information
Reimbursement of lost rent	\$4,400	Your tenant left owing twelve (12) weeks rent ($12 \times \$400 = \$4,800$). There's no cover provided for an amount less than four (4) times the weekly rental amount ($4 \times \$400 = \$1,600$). Therefore, we deduct this from the twelve (12) weeks rent the tenant owes you. We pay a further \$1,200, as it took an additional three (3) weeks to secure new tenants. (Total rent lost = $\$4,800 - \$1,600 + \$1,200 = \$4,400$).
Less excess (Loss of rent – tenant default excess)	-\$500	In this example, we deduct this from the total amount of the claim.
Total claim	\$3,900	We pay this amount to you.

Example 3 – Partial loss - Property claim

Your investment property has a sum insured of \$360,000. In this example, a property standard excess of \$500 applies. The weekly rental amount you receive is \$400.

A kitchen fire has severely damaged the kitchen.

What you are claiming		Additional information
Total cost of repairs	\$40,000	A member of our supplier network assesses the damage to repair the kitchen as \$40,000.
Total loss of rent	\$2,400	You claim under the additional cover 'Loss of rent following an insured event'. Our builder determines the repairs should take six (6) weeks to complete and the tenants will need to move out of the property while the repairs are undertaken. We pay you directly for six (6) times the weekly rental amount ($6 \times \$400 = \$2,400$).
Less excess	-\$500	In this example, you pay your standard excess to us before we settle your claim.
Total claim	\$41,900	

Example 4 – Legal liability - Property cover claim

You've insured the property and your tenant has made a claim against you for the amount of \$10,000 arising from an injury he sustained when he tripped over a large crack running across the driveway of your investment property. It's determined that you're liable for this amount.

In this example, a \$500 standard excess applies.

What you are claiming		Additional information
Total amount of liability	\$10,000	We pay this amount to the injured party.
Less excess	-\$500	You pay the property standard excess to us before we settle the claim.
Total claim	\$9,500	

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 more information about the FCS from the APRA website at www.fcs.gov.au.

