

Strata Insurance Additional Information Guide



The Additional Information Guide (AIG) provides information about how we calculate premiums, our excesses and worked dollar claims examples. You should read this AIG together with our Strata 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 24/05/2025.

About your premium

The amount you pay for this insurance is called the premium. Your premium includes any applicable GST, stamp duty, other government charges and any levies that apply. The premium will be shown on your certificate of insurance as the 'Total Amount Payable' or, if you pay by monthly instalments, as 'Instalment amount'.

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 these factors combine to affect your premium will differ depending on the strata building (including common property) and common contents (if applicable) to be insured and from person to person.

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 sums insured;
- changes in government taxes and any state or territory duties or levies;
- our expenses of doing business;
- other commercial factors.

When determining your renewal premium, we also consider how much you paid previously. As such we may limit movements up or down.

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

| Factor |
|--|
| Address of the insured building |
| How the strata building is occupied |
| Sum insured |
| Previous insurance history |
| Construction material and other characteristics of the strata building |
| The standard excess you choose |
| Type of insurance you have chosen (Strata Building or Strata Building and Common Contents) |

Paying by instalments

Your premium will be higher if you choose to pay by instalments, rather than annually.

Government taxes and charges

After we have calculated the amount to cover your strata insurance policy any applicable GST, stamp duty, other government charges and any levies are then applied.

Your excesses

The amount and types of excesses that apply to your policy are stated on your certificate of insurance or in the PDS. The different types of excesses are:

Standard excess

You can choose a standard excess between \$1,000 and \$7,500. You can choose a different standard excess for the strata building and the common contents.

Additional excess

An additional excess may apply due to reasons such as claims history, location and building type. The amount of any additional excess will be stated on your certificate of insurance.

Water damage excess

The water damage excess is \$200.

This excess applies in addition to any other excess if you make a claim for loss or damage caused by water escaping or overflowing, irrespective of the source, including but not limited to leaks from pipes, water containers, or other systems, unless stated otherwise in your policy.

Theft or burglary by lot occupiers or their guests excess

An excess of \$500 will apply in addition to any other excesses that apply for any claim under 'Theft or burglary by lot occupiers or their guests'.

Malicious acts or vandalism by lot occupiers or their guests excess

An excess of \$500 will apply in addition to any other excesses that apply for any claim under 'Malicious acts or vandalism by lot occupiers or their guests'.

Unoccupied excess

The unoccupied excess is \$1,000. This excess applies in addition to any other excesses, if at the time of the incident covered by your policy, 50% or more of the lots at the strata building at the insured address haven't been occupied for a period of more than 60 continuous days.

Claim payments

The following examples are a guide only and are designed to illustrate how a claim payment might typically 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 have assessed each claim. You should read the PDS, any SPDS we have given you and your certificate of insurance for full details of what we cover as well as what policy limits, excesses, conditions, and exclusions apply.

Notes about these claim payment examples:

- When you make a claim, we'll choose whether to deduct the applicable excesses from the amount we pay you or direct you to pay the excesses to us
- All amounts are shown in Australian dollars and are GST inclusive
- All examples assume that the policyholder is not registered for GST.

Example 1 – Total loss – Strata Building claim

The strata building has a sum insured of \$950,000. There is a fire that starts from a heater in one of the units. The fire destroys the building and we assess that it is a total loss. In this example, a standard excess of \$1,000 applies.

| Your claim | | Additional information |
|--|--------------------|--|
| Building costs | \$900,000 | A builder from our supplier network assesses the building as a total loss. We cover loss or damage due to the fire up to the sum insured. As the assessed quote for a member of our supplier network to rebuild the building on a 'new for old' basis is below your sum insured we offer you the option to have your building rebuilt. You accept this offer and we pay this amount direct to our builder. |
| Emergency repairs and other repair or rebuilding costs | \$40,000 | Before rebuilding commences it costs \$40,000 to demolish and remove the damaged structure. We pay \$40,000 directly to the builder under the additional cover 'Emergency repairs and other repair or rebuilding costs'. We will pay up to the greater of \$5,000 or 15% of the combined strata building and common contents sum insured under this cover for any one incident during the period of insurance. If the costs exceed this amount, we will also pay up to the difference between the combined strata building and common contents sum insured and any amount paid or payable to cover accidental loss or damage for the same incident under the policy. |
| Temporary accommodation for lot owners | \$ 95,000 | We pay the lot owner's temporary accommodation costs for the time it will take to repair or rebuild their unit so that it can be lived in again. In this example, the maximum limit of \$95,000 (10% of the building sum insured) is reached before the 52 week limit is reached. We pay this amount to the lot owners. There are no delays to the rebuild of the building and therefore further temporary accommodation costs during delays out of your control are not applicable. |
| Architect's fee | \$10,000 | It is necessary to engage an architect to design your replacement building (this is necessary even though you don't intend to change the design of the building or upgrade it). Under the additional cover 'Emergency repairs and other repair or rebuilding costs', we have already agreed to pay \$40,000 to the builder to demolish and remove the damaged structure (see above). The architect's fees are \$10,000 and we pay this amount directly to the architect from the limit remaining under the additional cover 'Emergency repairs and other repair or rebuilding costs'. |
| Claim so far | \$1,045,000 | |
| Standard excess payable | -\$1,000 | In this example, you pay this amount directly to us. |
| Total claim | \$1,044,000 | |

Example 2 – Partial loss – Building claim

The strata building has a sum insured of \$800,000. A leaking pipe in the building causes water damage in one of the units. While inspecting the damage at the building our supplier also notices there are some water stains in parts of the ceiling at the same unit (unrelated to the leaking pipe). In this example, a standard excess of \$1,000 and water damage excess of \$200 applies.

| Your claim | | Additional information |
|--|----------------|---|
| Cost of repairs to the unit caused by the leaking pipe | \$8,000 | A member of our supplier network inspects the damage from the leaking pipe. The assessed quote for our supplier to complete the repair is \$8,000. You accept our offer to repair the damage. We pay these costs to the builder. You pay the cost to fix the leaking pipe. |
| Ceiling damage | Nil | Your roof is then inspected by our builder and it is severely rusted in parts. Our builder determines that the damage to the ceiling was caused by your roof not being in good condition and the damage to the ceiling and the roof is not covered. You undertake the necessary repairs to your ceiling and arrange the replacement of the roof yourself. |
| Claim so far | \$8,000 | |
| Standard excess payable | -\$1,000 | In this example, you pay this amount directly to us. |
| Water damage excess | -\$200 | In this example, you pay this amount directly to us. |
| Total claim | \$6,800 | |

Example 3 – Voluntary workers cover

You have authorised one of the unit owners to complete some gardening work at the insured address. While gardening, the unit owner slips and seriously injures his back. The injury has resulted in a total disability and they are unable to return back to work to carry out their usual occupation. The unit owner's gross weekly wage is \$2,100. In this example, a standard excess of \$1,000 applies.

| Your claim | | Additional information |
|-------------------------|------------------|---|
| Total amount of claim | \$208,000 | The injury has resulted in a total disability to the injured owner and they are unable to return back to work to carry out their usual occupation. The unit owner's gross weekly wage is \$2,100. We pay the unit owner \$208,000 which is the most we pay under this additional cover for each incident. This is because the most we will pay is \$2,000 per week for a duration of 104 weeks. |
| Standard excess payable | -\$1,000 | In this example, you pay this amount directly to us. |
| Total claim | \$207,000 | |

Example 4 – Legal Liability

A visitor to a unit in the building was descending down stairs within the common area of the unit complex. The visitor tripped over loose carpeting on the stairs causing them to fall heavily. In this example, a standard excess of \$1,000 applies.

| Your claim | | Additional information |
|-------------------------|-----------------|--|
| Total amount of claim | \$14,800 | The visitor has made a claim for compensation for the amount of \$14,800. After an investigation, it is determined that you are liable for the injury and the amount claimed is reasonable. We pay this amount to the injured party. |
| Standard excess payable | -\$1,000 | In this example, you pay this amount directly to us. |
| Total claim | \$13,800 | |

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.

Information about the FCS can be obtained from the APRA website at www.fcs.gov.au

