

Territory Home Insurance



Premium, Excess, Discount and Options Guide (PED)

Important qualification

The information in this document is current as at 14 January 2025. Any dollar amounts or percentages listed in this document may be varied by us at any time and where this is the case you will be advised of the variation at the time of your application or renewal.

This document is for general information purposes only and does not set out, or form part of, the terms and conditions of the policy. For the standard terms, conditions, limits and exclusions please consider the Territory Home Insurance Product Disclosure Statement (PDS) which you should consider before entering into a policy. Please contact us if you would like a copy of the PDS. To the extent of any inconsistency between this document and the policy (including the PDS), the terms of the policy prevail.

Premium, Excess, Discount and Options Guide

This Premium, Excess, Discount and Options Guide (PED) aims to provide you with more information about:

- how TIO calculates premiums;
- the TIO No Claim Bonus;
- what discounts can be applied to your premium and how this is done;
- when excesses need to be paid; and
- the optional covers available for purchase under our Territory Home Insurance policy.

The PED guide is relevant for any Territory Home insurance policy that commenced as new business on or after 14 January 2025, or renewed on or after 14 January 2025.

About the premium we charge you

Generally the premium we charge you will be calculated based on our view of the likelihood of a claim being made on the policy during the period of insurance. When we work out the premium we charge you we look at a number of factors that have over time been shown to be a good determinate of the likelihood of a claim being made.

Over time we may change the relative importance of any of the factors and/or how they combine to affect the premium we charge you. See “Important factors” section on page 4 of this guide for more detail.

The total amount we charge you will also include amounts that take into account our responsibility for stamp duty, GST, and any other government charges and emergency / fire services levies (FSL) in relation to your policy. To the extent permitted by law, if we have estimated an amount in relation to our responsibility for a tax, charge or levy we do not adjust the total amount payable if we have over or under estimated these charges.

Certain excesses you choose can also impact on your premium. Where you have a choice of excess, there is generally a relationship between the cost of your insurance and your excess. If you increase your excess, your premiums could decrease, and vice versa. We will only pay a claim if the claim amount is more than the excess(es) that apply. See “Our excesses” section on page 8 of this guide for more details.

Generally, all discounts will be applied to the premium excluding any government taxes, charges and levies. See “Our discounts” section on page 7 of this guide for more detail.

The premium we charge you will take into account any No Claim Bonus rating that you may be assigned. See “No Claim Bonus” section on page 5 of this guide for more detail.

Minimum premiums and premium rounding can affect any discount entitlement. See “Minimum premiums and premium rounding” section on page 6 of this guide for more detail.

Renewals

If you renew the policy you need to be aware that the premium we charge you is likely to change, even if there has been no change in the circumstances which were applicable to the policy when you first took it out or subsequently renewed it. This is because other factors may affect the premium, including:

- the cost of claims we have paid and that we expect to pay in the future;
- new data we have collected on the various factors we use to determine your premium;
- our expenses of doing business; and
- any other commercial considerations.

When calculating the premium that we charge you on renewal we also consider what your premium was previously, and we may limit movements up or down.

Important factors

The important factors affecting the premium we charge you will include all or some of the following, depending on your circumstances and the type of cover you choose. These factors do not include any discounts that may be available to you (see page 7).

Factor	Home Contents Cover	Home Buildings Cover
The address of your home	✓	✓
The amount your buildings and/or contents are insured for	✓	✓
The type of property you are insuring – for example, House on Slabs/Foundation or Villa/Townhouse	✓	✓
How your home is occupied – for example, owner occupied or renter	✓	✓
The construction material of the external walls and roof of your home	✓	✓
The age of the insured(s)	✓	✓
The age of the home	✓	✓
If there is a swimming pool located at the insured address	✗	✓
If your home is located on a site exceeding 20,000 square metres	✗	✓
The type of alarm installed at your property	✓	✗
The excesses we apply or that are chosen by you	✓	✓
Any optional covers you have chosen to purchase – for example, Accidental damage cover, Portable contents cover or Disaster cover	✓	✓
Claims made against this policy	✓	✓

No Claim Bonus

We give you a No Claim Bonus (NCB) rating to reward you for having a good claims history. A NCB rating only applies to your Building and Contents base premium (excluding any government taxes, charges or levies that may apply).

When the following optional cover is purchased:

- Portable contents cover

a No Claim Bonus will **not** be applied to this optional cover. It is also not applied to the premium charged for Flood (if applicable). See page 9 for more details on our optional covers.

What NCB Rating will I receive on new business?

When you take out a new policy, we calculate your NCB based on your home insurance claims history. To qualify for the maximum NCB of up to 30%, you must have had no Buildings or Contents insurance claims in the preceding 5 years. Your policy schedule will show what NCB (if any) has been applied to your policy.

The following table shows the TIO NCB structure when you take out a new policy.

No. of claims past 5 years	NCB
0	30%
1	20%
2	10%
3 +	0%

Your base premium, excluding any premium charged for Portable contents and any component charged for Flood (if applicable), is discounted by up to this percentage but only to the extent any minimum premium is not reached. See the Minimum premiums and premium rounding section below.

What NCB Rating will I receive at renewal?

Each year at renewal the NCB for your policy is recalculated. After each subsequent claim free period of insurance, the NCB applied to your renewal premium will be increased by one level (i.e. 10%) until a maximum NCB of 30% is reached.

However, for every claim you make in a period of insurance, the NCB applied to your renewal premium will be decreased by 10% - to a minimum NCB of 0%.

We reserve the right to change the NCB rating structure or to withdraw it. Any change will take effect from your next renewal date unless we tell you otherwise.

Note: Any claims you make in relation to the optional portable contents cover or the additional benefit 'Food or medicine spoilage' when the cause of the loss is declared a natural disaster will not affect your NCB.

Instalment premiums

If you choose to pay your premium by monthly instalments an additional service fee may apply. We'll let you know the total amount payable when you apply for cover – and we'll confirm this in your policy schedule.

Note: Your financial institution may also apply transaction fees to instalment payments.

Minimum premiums and premium rounding

Minimum premiums may apply.

Where discounts are applied, your premium is subject to rounding. If more than one discount applies, they're applied in a predetermined order, so the later discounts apply to the amount already reduced by the earlier discounts instead of the total amount. Discounts do not apply to government taxes and charges. Discounts won't apply below the minimum amount payable for the policy. For example if you are eligible for two 10% discounts and your base premium is \$500 the discounts will be applied as follows:

Base premium	\$500
Discount 1 – 10%	\$50
Reduced Premium	\$450
Discount 2 – 10%	\$45
Discounted Base premium	\$405

Our discounts

We may offer you the following discounts that you may be entitled to:

- Combining your Buildings and Contents policy discount; and
- Other discounts as marketed by us from time to time.

We apply discounts prior to adding GST, government charges and levies.

Combining your Buildings and Contents policy discount

In the event that you take out a TIO Home Insurance policy and you combine Buildings and Contents covers on the one policy, we may allow up to a 10% discount on the premium that would normally be charged if both of these covers were insured under separate policies.

Note: If you are eligible for more than one discount we apply each of them in a predetermined order. See page 6 for details.

The combined discount doesn't apply to any flood component of the premium or to the optional cover's Portable contents and Disaster cover (if available and selected). Minimum premiums may apply.

Our excesses

Excesses payable

There are different types of excesses which may apply to you at the time of a claim. These excess types are shown on the policy schedule under the section titled 'Cover'. You may have to pay more than one excess in the event of a claim.

Your excess

Unless we state otherwise in the PDS, you will need to pay the applicable excess(es) as a contribution to your claim.

So for example, if you have an excess of \$1,000 and make a claim for \$3,000, we'll pay the balance of \$2,000. We will only pay the claim if the claim amount is more than the excess(es) that apply. If we settle your claim by making a cash payment to you, we will deduct the excess(es) from the amount we pay to you. In other circumstances, you may need to pay the excess as a contribution to the repair or replacement.

When you apply for cover, you will be asked to choose an excess amount from the available options. This can be made up of a basic excess, and a voluntary excess. Generally, the higher your excess amount, the lower your premium will be. In some cases we may impose an additional compulsory excess which reflects our risk and underwriting criteria. You cannot vary or remove this excess.

The excess(es) you need to pay for each cover type is shown on your policy schedule, or referred to in the PDS.

You are only required to pay one excess in respect of any single claim:

- arising out of the same insured incident, or
- which involves loss or damage to both buildings and contents arising out of the same insured event.

Earthquake and Tsunami excess

An additional imposed excess amount of \$250 applies for each claim for loss or damage caused by an earthquake or tsunami, or a series of earthquakes or tsunamis, during any period of 48 consecutive hours.

Portable contents excess

If you choose this optional cover an excess amount of \$100 applies for each claim for loss or damage associated with this optional cover. You do not need to pay a basic, voluntary or an additional compulsory excess if your claim only relates to loss or damage to Portable contents (the earthquake and tsunami excess may still apply).

Policy options that may be purchased

The following optional covers may be purchased with a Home Insurance policy:

- Accidental damage cover;
- Disaster cover (applicable if you have Buildings cover only or both Buildings and Contents cover); and
- Portable contents cover (applicable if you have Contents cover only or both Buildings and Contents cover).

The 'Optional cover' section of your policy schedule will show if you have any optional covers.

Note: There are conditions and exclusions that apply to all of our optional covers, please read the PDS for further details.

Accidental damage cover

This option is available for purchase for both Buildings and/or Contents cover. It gives you greater coverage in the event of an accidental, or unexpected mishap occurring.

If you have this option and you've insured your contents, we'll cover any accidental loss or damage to them at the insured address and anywhere in Australia for up to 90 continuous days in any one period of insurance.

Disaster cover

This option is available for purchase if you have Buildings cover only, or both Buildings and Contents cover.

If you purchase this option we will pay up to an additional 30% of your buildings sum insured if the cost of repairing or replacing your building exceeds your sum insured following loss or damage caused by a named cyclone (including storm surge), flood or earthquake (including tsunami).

Note: Disaster cover does not increase your buildings sum insured. Any other additional benefits which are payable based on a percentage of the building sum insured will not be increased as a result of this optional cover.

Portable contents cover

This option is available for purchase if you have Contents cover only, or both Buildings and Contents cover.

If you purchase this option, you will be covered for loss or damage to your portable contents caused by theft or accident anywhere in the world. Cover outside Australia is limited to 120 continuous days in any period of insurance.

You can choose from two types of Portable contents cover (or choose both):

- Unlisted portable contents (choose from available limits of cover)
- Listed portable contents (you may be able to cover specific items for their full value)

In the event of a claim you will need to provide evidence of the value and ownership of both listed and unlisted portable contents.

For enquiries
call 131 846
visit tiofi.com.au

