

SUBMISSION ACCC NORTHERN AUSTRALIA INSURANCE INQUIRY - FIRST INTERIM REPORT 12TH
APRIL 2019

SGIO INSURANCE

HOME AND CONTENTS INSURANCE - September 2018 – September 2019

I have attached the above Premium

The Building cost is \$852,600. I tried to reduce the cost on line but was refused to go below \$845,000
The cost to insure the Building was originally \$8190.27

I rang SGIO and haggled with them, they offered to reduce the premium by 10%. The premium then became \$7371.24

On page 4 of the Premium the costs are below: -

I contacted SGIO and asked them where was the 25% No Claim Bonus, they indicated that it was calculated before the Premium Amount (This should have been indicated on the Premium – The 25% would have been \$2226.27 making the Premium to start at **\$11,281.36 (Whoa!!!!)**)

\$11,251.36	Not shown on Policy documents (Is this illegal?)
\$9025.09	The price starting with the 25% No Claim Bonus - not shown on Policy (is this illegal) I think there is shonky business happening here
\$2226.27	minus 25% No Claim Bonus (Because I haven't made a Claim in 5 years)
\$9025.09	Premium
\$2256.27	minus 25% Loyalty Discount (I surmise that they have taken this to counter balance the 25% No Claim Bonus – so they don't have to pay the 25% Loyalty Discount) a sneaky way around it
\$676.88	GST
\$744.57	STAMP DUTY
\$8190.27	TOTAL
\$819.02	10% Given off because I Haggled with them (i.e. Loyal customer, no of policies) etc.,
\$7371.24	TOTAL PAID

It also says on page 4 - that my premium has been reduced **BECAUSE**

- One of the insureds is 50 years of age or over
- You have a monitored alarm

It is not REDUCED!! - There is no indication of Reduction on the Policy. Only in words (Is this Illegal?).

It would not cost \$852,600.00 to rebuild the house. The houses in [REDACTED] have to be built to Cyclone Standard (Region "D" Category "C") where in Southern Regions this is not necessary. More damage is done to those houses by minor Storms.

Cyclone Veronica has just come and gone on the 23rd March, 2019. It hung around for 3 days. [REDACTED] was on Red Alert for 72 hours. There was no damage to houses only trees down. This indicated that the buildings can withstand high winds for long periods of time.

There is shonky business going on here and maybe a Royal Commission should be done on the Insurers. They have got away with it for years like the Banks and now they are being found out.

It is the Consumers who are getting taken for a ride and fleeced with these going ons and it should not be allowed. Why is that it is us that have to suffer when all it is greed?

We live in [REDACTED] and are now retired and will not be able to be able to afford the prices of the Insurance on the house and will have to eventually have to leave the town. We surely don't want to!!!!.

Why is it just because that we are retired, we have to leave Town? A lot of people who have spent their whole life up here don't want to up and leave just because they retire.

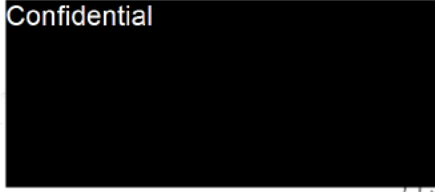
1. Please **DO NOT Publish** ours names
2. We live in [REDACTED] West Australia. [REDACTED]
3. HOME Insurance
4. SGIO Insurance



2018-2019 Certificate of Insurance Home@50 Buildings and Contents Renewal



Confidential



YOUR POLICY SUMMARY

Policy number:	Confidential
Annual premium:	\$7,371.24 - (\$8,190.27)
Your contract	Valid from 11:59pm, 12 September 2018 to 11:59pm, 12 September 2019

Home insured:	Confidential
The insured:	Confidential
Sum insured:	Buildings: \$852,600 Contents: \$89,604 See over for breakdown.
Basic excess:	Buildings: \$750 Contents: \$500 See over for all excesses that apply.

YOUR PREMIUM (Includes 25% No Claim Bonus, your chosen Options, 25% Loyalty Discount and government charges - see over for full details)

Amount paid:	\$7,371.24
Thank you for your payment	

YOUR LOYALTY DISCOUNT

Loyalty Discount 25%	
Loyalty Years	39
Number of policies	8

See page 2 for a list of the policies used to determine your Loyalty Discount

YOUR OPTIONS

The cost of these options is included in your premium.

Portable Contents

*This premium was originally \$8,190.27
Because I haggled with them they
gave me 10% discount*

Dear Confidential

Thank you for choosing SGIO. You will find a summary of your policy opposite.

Next steps:

1. Review the information on the following pages and if you need to make changes call 133 233 or +61 8 6188 4228 or access Self Service Centre at sgio.com.au/selfservice.
2. This document is your Certificate of Insurance. Please keep this document in a safe place.

Did you know there are ways you could save?

See how at sgio.com.au/savenow

Enquiries 133 233
Payments 133 233

Claims 133 233
Visit sgio.com.au



**2018-2019 Certificate of Insurance
Home@50 Buildings and Contents Renewal**

Policy number: **Confidential**

Enquiries **133 233**
Payments **133 233**
Claims **133 233**
Visit **sgio.com.au**
an **SGIO office**

YOUR PREMIUM

Please refer to the Premium Excess and Discounts guide for further information about how we determine your premium and excesses that may be payable at claim time. The following provides a breakdown of how your premium is calculated.

Premium including your chosen options and 25% No Claim Bonus	\$9,025.09
Less 25% Loyalty Discount	\$2,256.27
Plus Government charges	\$1,421.45
Total premium	\$8,190.27

BENEFITS

You've been awarded Claim Free Privilege Life giving you a **25% No Claim Bonus** for the lifetime of your policy. By holding Claim Free Privilege Life any future claims you make will not impact your No Claim Bonus.

Handwritten notes:
 ? - SGIO said that 25% is taken off before the premium amount.
 - This amount would have been payable if I didn't have 25% Loyalty Discount
 - \$676.88 - GST
 - \$744.57 - STAMP DUTY
 } **Your premium has been reduced because**
 • One of the insureds is 50 years of age or over
 • You have a monitored alarm
 } **WHERE?**

INSURANCE HISTORY

Details of insurance and claim history for each insured are listed here.

Confidential age 64

In the last 5 years

- had no insurance refused, cancelled, treated as never having operated, or renewal not offered

• had no claim refused
Confidential age 69

In the last 5 years

- had no insurance refused, cancelled, treated as never having operated, or renewal not offered
- had no claim refused

HOW TO PAY



In person - Take this document and pay at an SGIO Office or any Australia Post Office.



By phone - Call 133 233 and have your credit card ready.



Online - Go to sgio.com.au/payments and have your credit card ready.



By BPAY® - Contact your financial institution to arrange payment from your account.

Bill code: 58255
Reference: **Confidential**



By mail - Detach this payslip and send it with your cheque or credit card details below to: SGIO, GPO Box D160, Perth WA 6840

Credit card details

Please select one amount

- annual premium \$8,190.27
- to increase your buildings excess \$7,936.15

Mastercard VISA

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Expiry ____ / ____ Signature _____

Confidential

Confidential