

Secure™ Annual Multi-Trip Travel Insurance

Product Disclosure Statement

Premium, excess and claims guide



Your guide to premiums, excesses and claims payment

The purpose of this guide is to provide further detail about the amount **you** pay for this insurance, the **excess** that may apply if **you** make a claim, and how **we** calculate **your** claim payment.

This guide forms part of the Secure™ Annual Multi-Trip Travel Insurance Product Disclosure Statement (PDS) with a preparation date of 01/12/2010 along with any Supplementary PDSs. Any words defined in the PDS also apply to this guide.

This guide is effective from 01/10/2012.

The amount you pay for this insurance

Premiums

The amount **we** charge for this insurance policy is called the premium. The amount of the premium will be specified on **your** schedule.

The three main determinations of premium are:

1. **Our** assessment of **your** risk;
2. Whether **you** require cover for **pre-existing medical condition**; and
3. Government taxes and charges.

1. Our assessment of your risk:

The main factors that determine the assessment of **your** risk and consequently **your** premium are whether **you** choose a Single or Family Policy and **your** age.

The table below summarises the most significant risk assessment factors, and the impact they have on **your** premium.

Factor premium	Reduces premium	Increases premium
Type of policy	Single policy	Family policy
Age of applicant	Applicant is under 75 years	Applicant over 75 years

2. Whether you require cover for pre-existing medical conditions

The policy excludes claims arising from **pre-existing medical conditions** that **you** or other people have.

However, **you** can apply to be covered for certain **pre-existing medical conditions** by completing an Assessment Form (available by contacting Vero on 1800 285 712). If **we** agree to provide cover for the specified **pre-existing medical condition(s)**, then an additional premium will be payable.

The additional premium **we** charge to cover any **pre-existing medical condition(s)** is based on the increased likelihood of a claim occurring and the cost of such a claim. The more likely that a claim will occur the more costly it is likely to be (after taking into account **our** experience of the incidence and the cost of the claim), the higher the premium **we** will charge to provide cover for it.

3. Government taxes and charges

After Vero has calculated its premium to cover the risk, Vero will apply GST (not applicable to international travel) and any other relevant government charges (such as stamp duty). These amounts are shown on **your** schedule.

The amount you pay towards a claim

Excess

An **excess** is an amount **you** are required to pay in the event of a claim. There are different types of **excess** that may apply to **your** claim, depending on the type of claim and the section of the PDS **you** are claiming under.

The standard **excess** of \$200 as shown on **your** schedule applies to any claim paid under the following sections of the PDS:

- ▼ Section 1 – Cancelled travel and accommodation expenses
- ▼ Section 2 – Overseas medical and dental expenses
- ▼ Section 3 – Additional transport and accommodation expenses
- ▼ Section 6.1 – Personal baggage and travel documents
- ▼ Section 7 – Accidental death
- ▼ Section 9 – Disability
- ▼ Section 10 – Resumption of journey
- ▼ Section 13 – Hire car insurance excess

An additional **excess** of \$1,000 will apply to all claims paid under Section 6, for theft of **your personal baggage**, clothing or personal effects from a **motor vehicle**.

The **excess** will not apply to claims paid under the following Sections of the policy:

- ▼ Section 4 – Cash paid while you are in hospital
- ▼ Section 5 – Delayed transport – accommodation and meal expenses
- ▼ Sections 6.2, 6.3 and 6.4 – Personal baggage and travel documents
- ▼ Section 8 – Personal liability
- ▼ Section 11 – Special event cancellation expenses
- ▼ Section 12 – Delayed baggage – emergency purchases
- ▼ Section 14 – Loss of income
- ▼ Section 15 – Substitute person to complete your business

In some circumstances a further **excess** may also be imposed. It is usually in the range of \$500 to \$2,000 and based on assessment of risk, including claims history, age and **pre-existing medical condition(s)**. **We** will inform **you** if this **excess** applies at time of issue or renewal of the policy and it will be shown on **your** schedule.

Should one singular event lead **you** to make a claim under several Sections of the policy, **we** will only apply one standard **excess**. For example, if **you** are injured in a car accident and need to make a claim under Section 2 for overseas medical expenses and a claim under Section 1 for cancellation expenses following **your** car accident, provided that **we** accept **your** claim **we** will only apply a total of one standard **excess** of \$200.

If more than one singular event leads **you** to make a claim under several Sections of the policy, **we** will individually apply one standard **excess** for each claim event. For example, if **your** bag is stolen from the airport on one day, then **you** are injured requiring overseas medical treatment in a skiing accident on another day, then provided that **we** accept **your** claim **we** will apply one standard **excess** of \$200 to **your** stolen bag claim and one standard **excess** of \$200 to **your** overseas medical expenses claim.

How a claim payment is calculated

When **you** make a claim on **your** policy **we** will ask **you** questions about what **you** are claiming for. **We** will also ask **you** to provide **us** with documentation to support **your** claim. Once **we** have all of the information **we** need to assess **your** claim, **we** will consider what **you** have claimed for against the policy cover **you** purchased. If **your** claim is accepted, **we** will tell **you** how **we** will settle it. If **we** don't accept **your** claim, **we** will tell **you** why and give **you** information about how **you** can have **our** decision reviewed, at no cost to **you**.

Most of the events **we** cover have maximum policy limits. These limits are shown next to each insured event in the PDS. Some insured events, like the reasonable cost of medical expenses, have no policy limit. Whether or not there is a limit, **we** will assess the nature and value of **your** claim against the insurance cover the PDS provides, deduct any applicable **excess** and provide payment either to **you** or directly to the provider of goods or services.

Claim payment examples

Set out below, **we** have included claim payment examples that are designed to illustrate how a claim payment might typically be calculated. The examples do not cover all scenarios or all benefits and do not form part of **your** policy terms and conditions. They are a guide only. Please note that wherever relevant **our** examples assume that the policyholder is not registered for GST.

Example: Cancelled travel and accommodation expenses

Due to a recent **injury** that will require surgery, **your** doctor has told **you** that **you** cannot go on **your** planned holiday. **Your** travel agent has advised **you** that due to the conditions of **your** booking, **you** will receive a 50% refund on the unused travel and accommodation.

What you are claiming	How much we pay to reinstate your loss	Further information
Total cost of planned holiday	\$5,200	Under Section 1.1 – Cancelled travel and accommodation expenses, you are covered for unlimited reasonable expenses.
Less supplier refund of 50%	-\$2,600	Under the terms of Section 1.1, these expenses must be incurred by you and not be recoverable. You are required to provide us with documentation from your treating doctor and Travel Agent to support your claim.
Plus Travel Agents cancellation fee	\$500	Under Section 1.2 –The amount the Travel Agent charges you to process the cancellation.
Less standard excess	-\$200	This excess applies to all claims paid under Section 1.
Total claim	\$2,900	

Example: Overseas medical expenses

During **your** tour of Europe, **you** are involved in an accident. **You** are admitted to an overseas hospital for treatment of a fractured wrist. **You** will require surgery then ongoing physiotherapy treatment in hospital for a week. Following treatment **you** will be able to resume **your** planned **journey**.

What you are claiming	How much we pay to reinstate your loss	Further information
Total cost of surgery, hospitalisation, medication and physiotherapy (converted to Australian dollars)	\$15,300	Under Section 2.1 – Overseas medical expenses, you are covered for unlimited reasonable expenses.
Less standard excess	-\$200	This excess applies to all claims paid under Section 2.
Plus cash in hospital benefit paid under Section 4	\$700	Under Section 4.1 – Cash in hospital, you are covered for \$100 for every day that you are an in-patient in an overseas hospital, up to a maximum of \$6,000 (single policy) or \$12,000 (family policy). No excess applies to a claim paid under Section 4.
Total claim	\$15,800	

Example: Additional transport and accommodation expenses

During **your** European holiday, **you** are advised that due to severe weather conditions in London, **your** pre-paid flight from Paris to London is cancelled. As a result, **you** purchase a Eurostar train ticket to continue **your journey** to London.

The airline would not refund **your** unused airfare from Paris to London.

You have purchased a single policy that covers only **you** on the **journey**.

What you are claiming	How much we pay to reinstate your loss	Further information
Total cost of Eurostar train ticket from Paris to London	\$525	Under Section 3.1 – Additional transport and accommodation expenses, you are covered for unlimited reasonable expenses, less any amounts that are recoverable on unused travel and accommodation vouchers or tickets. You are required to provide us with documentation from the airline to confirm the reason for your flight cancellation, whether there are any refunds available together with receipts for your new transport arrangement.
Less standard excess	- \$200	This excess applies to all claims paid under Section 3.
Total claim	\$325	

Example: Personal baggage and travel documents

Your new video camera that **you** purchased for \$3,200 is stolen from **your** hired **motor vehicle** whilst it was parked on the street.

You have provided **us** with proof of ownership for the camera and a police report to confirm the theft.

You have purchased a single policy that covers only **you** on the **journey**.

What you are claiming	How much we pay to reinstate your loss	Further information
Replacement cost to Vero of new video camera	\$2,900	Under Section 6.1 – Personal baggage and travel documents, you are covered for up to a maximum of \$6,000 for all claims, with a limit of up to \$3,000 per item of electronic equipment. The policy provides Vero the option of either replacing the item or paying you the amount it would cost Vero to replace the item. On this occasion, we decide to pay you the amount it would cost us to replace the item.
Less standard excess	- \$200	This excess applies to all claims paid under Section 6.
Less additional excess	- \$1,000	This excess applies to all claims paid under Section 6 for theft of personal baggage stolen from a motor vehicle .
Total claim	\$1,700	

Example: Delayed transport – accommodation and meal expenses

During **your** tour of Europe, the departure of **your** planned flight from Berlin to London is delayed by 24 hours. **Your** airline has not provided **you** with any financial assistance or accommodation.

You have purchased a family policy that covers **you**, **your** partner and **your 2 children**. **You** have incurred the costs of hotel accommodation for 1 night in Berlin, taxis to and from the Berlin airport and the cost of 4 meals.

You have provided **us** with receipts for the expenses and a written report from the airline to confirm the delay.

What you are claiming	How much we pay to reinstate your loss	Further information
Total cost of accommodation, taxis and meals	\$512	Under Section 5.1 – Delayed transport – accommodation and meal expenses, you are covered for up to \$500 for each 12 hour period of delay, up to a maximum of \$2,000 in total.
Less excess	N/A	No excess applies to claims paid under Section 5.
Total claim	\$512	

Example: Loss of income

During **your** trip to America, **you** are involved in an accident and suffer an **injury**. Upon **your** return to Australia, due to the severity of the injuries sustained **you** are unable to perform **your** normal work for a period of 3 months (92 days) from 1 July to 30 September. **Your** average monthly net of tax income is \$3,500 and **you** would have returned to work on 1 July had the **injury** not occurred.

You have provided medical documentation to substantiate that **you** are unable to perform **your** normal work due to **your injury** and are under the care of a medical practitioner for the duration that **you** are unable to work.

You have purchased a single policy that covers only **you** on the **journey**.

What you are claiming	How much we pay to reinstate your loss	Further information
Total days you are unable to perform your normal work – 92 days Less the first 30 days (unpaid) = 62 days (2 months)	We pay a maximum of \$1,000 for lost income per month, and you are entitled to 2 months cover (2 x \$1,000).	Under Section 14 – Loss of income, you are covered for up to a maximum of \$1,000 per month to a maximum of \$10,000, for all claims. We will not pay for the first 30 days that you are unable to perform your normal work.
Total claim	\$2,000	