Premium, Excess and Discount Guide

for RAC Building, Contents and Personal Valuables Insurance

This RAC Building, Contents and Personal Valuables Insurance Premium, Excess and Discount (PED) Guide provides you with information about how we calculate our premiums and the excesses and discounts that may apply to your RAC Building, Contents and Personal Valuables Insurance policy.

You should read this PED Guide with your RAC Building, Contents and Personal Valuables Insurance Combined Product Disclosure Statement and Financial Services Guide.

This PED Guide applies to RAC Building, Contents and Personal Valuables Insurance policies first started on or after 24 June 2026 or renewed on or after 22 July 2026.

About your premium

The premium is the amount you must pay for your insurance cover. Your premium is shown on your schedule.

We take into account a number of factors when working out the premium for your RAC Building, Contents and Personal Valuables policy. For building and contents policies, these factors include, but are not limited to, the following:

- Location of your building.
- The sum you're insured for.
- Age and construction type of your building.
- Who occupies your building.
- Your age and claims history.
- Whether you pay your premium annually or in instalments.
- Costs associated with operating our business.
- Government charges.
- Discounts that may apply to you.

This isn't an exhaustive list of factors we take into account. We may use some or all of these factors to determine your premium.

RAC
For the better

All insurance risks are not the same. The combination of factors used and relevance they have for determining the overall premium will differ for each risk.

Premiums are calculated at a point in time, based on the information available to us at that moment. This means your premium reflects your current risk profile and other pricing factors as they existed when the calculation was made.

You'll need to specify the sum insured for your building and contents at the start of your cover. Please refer to our online calculators at **rac.com.au** for help with working out the sum insured.

You need to review your sum insured at the beginning of each subsequent period of insurance or when changes occur. We may also review the sum insured at the beginning of each subsequent period of insurance.

The sum insured is shown on your schedule.

When you renew your insurance your premium is likely to change, even if your personal circumstances haven't. This is because the premium you pay is also affected by factors such as:

- The cost of claims we've paid (or expect to pay) to other members.
- Any updated data we have available to calculate your premium.
- Changes to our costs of doing business or to government charges.

GST and government charges

Your RAC Building, Contents and Personal Valuables Insurance is subject to goods and services tax (GST) and government charges (insurance duty) as shown in this table.

GST and government charges	Amount
GST	10%
Insurance duty	10%

The amounts payable in GST and government charges for any given year are shown on your schedule.

Instalment charges

If you pay your premium by instalments a 10% premium loading will apply. This amount is included in the premium shown on your schedule.

Credit card charges

We don't charge a merchant fee when you pay your premium or your excess by credit card.

Cancellation charge

If you cancel your policy during the period of insurance, no administration fee will apply.

Other fees and charges

No refund or request for payment will be made if:

- Your policy is changed or cancelled and the premium refund or premium payable is less than $10.
- You make an under or overpayment to us of less than $10.

Excess

The excess is the amount you need to pay towards settlement of any claim. You'll be asked to pay the excess before any claim is finalised.

The amount and types of excesses that apply to your policy are shown on your schedule. An excess will apply to all sections of your policy unless stated otherwise. You may have to pay more than one excess depending on the circumstances of your claim.

Basic excess

Your basic excess is shown on your schedule.

The basic excess that applies for building, contents, personal valuables and contents accidental damage cover is as follows, as shown in this table.

Cover type	Basic excess
Building	The amount you choose*
Contents	The amount you choose*
Personal valuables	$200
Contents accidental damage	$750

If you have an RAC Building, Contents and Personal Valuables Insurance policy, you may:

- Reduce the basic excess for either building cover or contents cover (not personal valuables or contents accidental damage), or both, which will increase your premium.
- Increase the basic excess for either building cover or contents cover (not personal valuables or contents accidental damage), or both, which will reduce your premium (to the extent any minimum premium is not reached).

*Choose a basic excess amount between $250 and $5000 for building cover or contents cover that's appropriate for you, taking into consideration any limits of any contents cover and additional benefits.

Other excesses may apply in addition to the basic excess.

How basic excesses are applied

If you make a claim for loss or damage:

- Under your building cover, you must pay the basic building excess.
- Under your contents cover (not personal valuables or contents accidental damage), you must pay the basic contents excess.
- Under your personal valuables cover, you must pay the basic personal valuables excess.
- Under your contents accidental damage cover, you must pay the basic contents accidental damage excess.

If you have a combined building and contents insurance policy and you claim for loss or damage arising out of the one incident under both your building and contents cover:

- You pay just one basic excess under your building and contents cover.
- If your basic building and basic contents excesses are different, you pay whichever is the higher of the two.
- If you claim for loss or damage arising out of the same incident under your personal valuables cover, the basic personal valuables excess is also payable.

Spoilt foods

If your claim is for Spoilt foods only, you won't have to pay an excess towards it.

Earthquake excess

You need to pay an earthquake excess of $500 for every claim for loss, destruction or damage to your building if the damage is caused by an earthquake during any one 72-hour period.

This amount is payable in addition to your basic excess.

You can't pay an additional premium to remove an earthquake excess.

Flood excess

You need to pay a flood excess of $200 for every claim for loss, destruction or damage caused by flood.

This amount is payable in addition to your basic excess.

You can't pay an additional premium to remove a flood excess.

Imposed excess

We may decide to apply an imposed excess to your policy after taking into account factors such as your building, your contents or your claims history.

An imposed excess is payable in addition to all other excesses.

You can't pay an additional premium to remove an imposed excess.

Discounts and minimum premium

Minimum premiums apply. A minimum premium is the lowest premium amount that we're able to sell the policy for and we may adjust your premium to ensure it does not fall below this amount.

Your premium includes the discounts you are eligible for. Any discounts will be applied only to the extent any minimum premium is not reached. Discounts may not apply to all policy options. If your premium reaches the minimum premium, no further discounts will apply. Any discounts will only apply to the amount that's over the minimum premium.

Discounts are applied to the premium before GST and government charges are applied. If you're eligible for more than one discount, we apply the discounts in order, so each subsequent discount is applied to the amount that's already been discounted.

We may also offer additional discounts from time to time. The relevant terms and conditions will be specified as part of the offer. Additional discounts offered can be changed or withdrawn. For details on specific discounts, refer to the information that follows or contact us on **13 17 03**.

Combined discount

We offer a 15% discount to anyone who buys combined building and contents insurance. The combined discount only applies to the building and contents policy premiums, not personal valuables or contents accidental damage premiums.

Alarm discount

You may be eligible for an alarm discount provided the alarm meets our approval criteria. This discount is available on a building and contents combined policy or a contents only policy. The discount varies based on the type of alarm you've installed.

The alarm discount only applies to the contents policy premium, not personal valuables or contents accidental damage premiums.

This table outlines the discount.

Alarm type	Discount
Non-monitored alarm	Up to 12.5%
Monitored alarm	Up to 15%
RAC monitored alarm	Up to 25%

RAC membership discount

We offer discounts on your RAC Building, Contents and Personal Valuables Insurance premium for the following types of memberships, as shown in this table.

RAC membership	Discount
Gold (25 or more years)	10%
Silver (10–24 years)	7.5%
Bronze (5–9 years)	5%

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Contact us

For more information
please visit rac.com.au