

SUBMISSION NO. 115

From: [REDACTED]
To: Committee, SPLA (REPS);
cc: [REDACTED]
Subject: [REDACTED] Body Corporate [REDACTED], Cairns . Rip Off Insurance Premium Renewal Rates .
Date: Saturday, 14 January 2012 12:57:55 PM

The owners of Strata Title units are obliged by law to maintain adequate Building insurance cover and , as such , are a captive source of income for the Insurers . I am firmly of the belief that the after the load imposed upon them by Cyclone Yasi and other natural disasters the Insurers are concerned solely with recovering from reduced profit margins and not with the welfare of the customer . It matters not to them that they demonstrate no loyalty to the insured and choose to either withdraw from this area of the market or to collude in a dishonest manner to unconscionably gouge the customer with unrealistically high renewal premium rates . This action is regarded as an insulting slap in the face by owners and I wonder if a cartel of Insurers manipulating the market will be exposed .Some owners are experiencing difficulties paying the increased premiums so the financial members wear the shortfall.

The buildings at my situation are of concrete block , double level construction ,having a steel sheet roof, built in 1990 and have been well maintained . We suffered minor damage from Cyclone Yasi to the tune of \$500. Insurance Premiums : Cover for \$2,000,000.

[REDACTED]	2009-10	\$2500	2010-11 withdrew from writing this class of insurance.
[REDACTED]	2010-11	\$3500	(Zurich actively seeking strata insurance)
[REDACTED]	2011-12	\$15000	Premium obviously refused by us. [REDACTED] telling us to "go to hell"
[REDACTED]	2011-12	\$5500	Obtained by broker and reluctantly accepted .

RIP OFF Percentage Increase .

\$2500 to \$3500	140%
\$3500 to \$15000	428.8%
\$3500 to \$5500	157%

You can observe that we are being used as a "cash cow" to prop up the Insurers . The aim of insurers is to ACCEPT THE RISK and PROTECT THE CUSTOMER not PROTECT THE INSURER (Shareholders) and GOUGE THE CUSTOMER and avoid paying out on legitimate claims . We are rightly outraged by this unethical treatment by the Insurers . As much as I hate having businesses over- controlled by the Government , I demand that these rogues in the Insurance Industry be brought to heel .

I request that you consider these matters in your fact finding mission .
Thanking you .
Ross L Grant
Member

[REDACTED] Body Corporate [REDACTED]
[REDACTED]
[REDACTED]