

## SUBMISSION NO. 203

**From:** [REDACTED]  
**To:** Committee, SPLA (REPS);  
**Subject:** [REDACTED] - Insurance hike stories wanted in the Mackay and Whitsunday regions -  
**Date:** Sunday, 15 January 2012 8:56:30 PM

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To whom it may concern,

I am writing to inform you of the situation which was faced at [REDACTED] during November 2011.

In November 2011 the annual insurance was due for renewal, [REDACTED] (we) approached the insurance broker in October to source insurance renewal, we were informed of the following from the broker;

[REDACTED] has all but dropped out of the market and [REDACTED] will not insure any Body Corporate which was not already insured with them prior to December 2010.

In addition, [REDACTED] has quadrupled its premium to any Body Corporate it does insure – so many of them cannot afford their cover.

[REDACTED] is only insuring a very few body corporate properties in the area, and [REDACTED] is above their value limit.

That leaves [REDACTED] and [REDACTED] – the two companies that have quoted per the renewal. [REDACTED] has in fact only offered very limited renewals to properties in the area – [REDACTED] is only about the third property that has been able to obtain an offer from them recently. Offers were:

[REDACTED] **\$51,234.32**

[REDACTED] **\$36,983.20**

Based on the previous year's insurance premium of \$13,539, this was a significant increase, and unfortunately in line with current insurance renewals in North Queensland.

We decided to except the insurance offer put forward by [REDACTED]. The day after the renewal was submitted our Broker contacted us with the following;

Unfortunately, [REDACTED] have reneged on their offer. All was fine when the renewal was submitted, but [REDACTED] have called today to renege. Attempts were made to make [REDACTED] put this back on the table – but they are saying their offer was only valid for 30 days even though this is not stated on their quote – and in fact have now withdrawn from the whole North Queensland strata unit market.

This led to [REDACTED] being the only insurance company to offer [REDACTED] an insurance renewal at close to four times the premium amount of the previous year.

Thank you for taking the time to read this submission.

Regards,

Adam Thompson  
Chairman –Body Corp

[REDACTED]