

SUBMISSION ON POLICY ISSUES RAISED IN ROUND 6

Submitted By: Dallas Graham

Email: [REDACTED]

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Submission for: Another Person

Name of other person, business or organisation: The General Public

Do you agree to your submission being published: Yes

Do you agree to your full name being published: Yes

Your submission:

Dear Commissioner,

In this submission I make reference to **HOUSE** insurance only. My comments don't apply to any other form of insurance.

From my 20 years experience in the Insurance Industry (from 1972 to 1992) in developing a General Insurance Clientele, I am convinced beyond any reasonable doubt that **ALL** Insurance Companies are over charging their Policyholders.

As a result of what I will explain below, I had enormous success in expanding my client base.

I will use a \$500,000 house as an example.

A house is bought and the lender obviously arranges insurance as part of the loan agreement and insurance is issued for a \$500,000 policy, which is definitely **NOT** correct....but the banker/lender/insurance agent wanted a bigger commission. I also earned commission, albeit smaller but because of the personal service I gave, additional business would ensue.

The **LAND** value of a this house would probably be about, say \$300,000, so obviously a policy should have been issued for \$200,000 because the land **CAN'T** be insured. This action by Insurers is costing Australians collectively tens of millions of dollars.

At the beginning of each year I would contact The Institute of Architects and they would give me the approximate cost of building a wooden home, a fibro home, a brick veneer home and a cavity brick home so I could advise my would be client with an accurate cost of rebuilding in the event of a total loss. I would always suggest adding to the total sum insured, the cost of insuring a couple of extra squares just to make sure coverage was adequate.

The end result? A new and happy client whose house was fully insured at a much reduced cost and commission for me. A win/win situation.

Yours faithfully,

Dallas Graham.