

SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT



This is a Supplementary Product Disclosure Statement (SPDS) issued by AAI Limited ABN 48 005 297 807 AFSL No. 230859 (AAI Limited). This SPDS was prepared on 18 May 2022.

This SPDS supplements the Shannons Motor Insurance Product Disclosure Statement prepared on 3 December 2020, and must be read together with the relevant PDS that you hold and any other SPDS we have given you or may give you for your PDS.

The purpose of this SPDS is:

- update information in the 'About your cover' section to include paint protection and add a definition of paint protection under 'Words with special meanings', and to update how we cover paint protection on your motor vehicle and motorcycle, proof for paint protection and how we will settle claims for paint protection; and
- update information about how we will pay claims under the Additional covers 'After claim expenses', 'Baby capsules and child seats' and 'Trailer cover'.

CHANGES TO THE PDS

1. On page 49 under the heading 'For additional covers or optional covers' delete the paragraph and insert the paragraph:

If we pay a claim under an additional cover or optional cover, we will settle your claim in accordance with that additional cover or optional cover. For the Additional covers 'After claim expenses' (see page 26), 'Baby capsules and child seats' (see page 27) and 'Trailer cover' (see page 32), we will only settle the claim by paying you. This means that we will not repair or replace or arrange for a service.

If we settle your claim by paying you, we will pay you by cheque or direct deposit into your bank account, or if available, you can choose to be paid with a voucher, store credit or stored value card.

2. On page 14 under the heading 'About your vehicle' insert the following below the bullet point 'modifications':

For you motor vehicle and motorcycle only paint protection is also included (see page 60).

3. On page 14 under the main heading 'About your vehicle' under the 'What we do not cover as your vehicle' section add:

- any protection for your vehicle's paint (except for paint protection for your motor vehicle or motorcycle).

4. On page 18 under the heading 'Comprehensive cover' delete under the 'What is covered' section:

We cover accidental loss or damage to your vehicle caused by an incident in the period of insurance.

Examples of accidental loss or damage cover include hail, storm (including cyclone), flood, fire, theft or attempted theft, malicious damage or vandalism, collision and impact.

and replace it with:

We cover accidental loss or damage to your vehicle caused by an incident in the period of insurance.

Examples of accidental loss or damage cover include hail, storm (including cyclone), flood, fire, theft or attempted theft, malicious damage or vandalism, collision and impact.

If we cover loss or damage to your motor vehicle or motorcycle, we also cover paint protection that was on the damaged parts of your motor vehicle or motorcycle prior to the incident. You may be able to show this by providing warranties or receipts (see page 46).

5. On page 18 under the heading 'Comprehensive cover' delete the 'Limit' section:

Limit

The most we will pay for all claims from any one incident for accidental loss or damage to your vehicle covered under your policy is the agreed value for your vehicle as shown on your certificate, unless we say otherwise in your policy (e.g. if you're eligible for 'New vehicle after a total loss for vehicles less than 2 years old' on page 22 we will settle your claim in accordance with that additional cover).

and replace it with:

Limit

The most we will pay for all claims from any one incident for accidental loss or damage to your vehicle covered under your policy (including paint protection for your motor vehicle and for your motorcycle covered under your policy) is the agreed value for your vehicle as shown on your certificate, unless we say otherwise in your policy (e.g. if you're eligible for 'New vehicle after a total loss for vehicles less than 2 years old' on page 22 we will settle your claim in accordance with that additional cover).

6. On page 46 under the heading 'Prove your loss or damage' insert the following sentence after the last paragraph:
For paint protection, you must give us proof that paint protection was on the damaged parts of your motor vehicle or motorcycle prior to the incident. Proof includes things like warranties and sales receipts. A statutory declaration is not of itself considered acceptable evidence of proof. If you are unable to substantiate your claim, we can reduce or refuse to pay your claim for paint protection.
7. On page 49 under the heading 'How we settle your claim' remove:

If your claim for loss, theft or damage to your vehicle is covered under your policy we will either:
and replace it with:

If your claim for loss, theft or damage to your vehicle is covered under your policy we will either (except for paint protection for your motor vehicle or motorcycle and windscreen claims see below):

8. Below the section 'How we settle your claim' on page 49 add the new section:

For a motor vehicle or motorcycle with paint protection

We will pay you the amount of the assessed quote from your repairer for paint protection for your motor vehicle or motorcycle covered under your policy. This means we will not re-apply the paint protection or arrange for someone to do this.

If you're eligible for 'New vehicle after a total loss for vehicles less than 2 years old' see page 22, we will settle your claim in accordance with that additional cover.

9. On page 49 move the section 'For a windscreen claim' to appear above 'For additional covers or optional covers'.
10. In 'Words with special meanings' on page 57, delete the definition 'Agreed value', and replace it with:

Agreed value

when used in relation to your vehicle, it is the maximum amount we will pay for loss or damage to your vehicle caused by an incident, unless we say otherwise in your policy. It includes the value of any accessories and modifications that are fitted to your vehicle, paint protection (for your motor vehicle or motorcycle), registration and compulsory third party/motor accident injuries insurance. Deductions may apply, see page 53 for amounts that are deducted on a total loss settlement. The amount covered is shown on your certificate of insurance or otherwise in this policy and includes GST.

11. In 'Words with special meanings' on page 60, insert the new definition above 'Period of insurance':

Paint protection

is a film professionally applied to painted surfaces of a new or used motor vehicle or motorcycle in order to protect the paint.

WHO WE ARE

Insurance is issued by AAI Limited. Shannons Pty Limited ABN 91 099 692 636 (Shannons), is an authorised representative (No. 239594) of AAI Limited.