



SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT

This is a Supplementary Product Disclosure Statement (**SPDS**), issued by AAI Limited (**AAI**) 48 005 297 807, AFSL No. 230859. Shannons Pty Limited ABN 91 099 692 636 is an authorised representative (No. 239594) of AAI.

This SPDS supplements the Shannons Motor Insurance Product Disclosure Statement (the **PDS**), preparation date 21 March 2011 and must be read together with the PDS and any other SPDS we have given you or may give you for the PDS.

The purpose of this SPDS is to:

- update what we mean by the term “**total loss**” and include a definition for salvage value;
- remove the motorcycle learner rider exclusion;
- remove references to branch locations;
- update our treatment of GST; **and**
- update the Financial Ombudsman Services (FOS) name and contact details.

WHAT ARE THE CHANGES?

Total loss

On page 22 of the PDS, delete the entire sentence which reads “Should the costs of towing and storage plus the necessary repairs exceed the agreed value of your vehicle shown on your certificate, we reserve the right to treat your vehicle as a total loss.”

On page 50 of the PDS, delete the definition of “**Total loss**” and replace it with the following:

“**Total loss** means that, in our opinion, the damage to your vehicle is so great that it would not be safe or economical to repair, or when your vehicle has been stolen and not recovered within 14 days of you reporting its theft to us and we are satisfied that your claim is in order.”

On page 50 of the PDS, add a definition for salvage value:

“**Salvage value** includes unexpired registration and compulsory third party insurance.”

Motorcycle learner rider exclusion

On page 31 of the PDS, under “What is not covered”, delete the entire first bullet point which reads “Persons riding a motorcycle on a learners permit are not covered by this policy.”

On page 36 of the PDS, in the section “Exclusions applicable to your policy”, delete the entire 3rd bullet point which reads “Your motorcycle being ridden by any person on a learners permit, unless your motorcycle was stolen.”

Branch locations

On page 2 of the PDS, under “Contacting Shannons”, replace the first sentence with “If you want to make changes to your policy, ask questions or let us know about anything that might affect your policy, call us on 13 46 46 or write to us. Please see your certificate or shannons.com.au for the locations of our branches.”

On page 2 of the PDS, under “Who does Shannons act for?”, replace the last sentence in the first paragraph with “AAI is an APRA regulated insurer and can be contacted by writing to us at, AAI, Level 28, 266 George Street, Brisbane, QLD 4000.”

On page 51 of the PDS, under “How we resolve your complaints”, delete the contact information immediately under “You can contact us” and replace it with:

By phone 13 46 46

In writing Write to your local Shannons branch
(please see your certificate or shannons.com.au for the locations of our branches)

By email enquiries@shannons.com.au

On the back cover of the PDS, delete “Shannons Branches”, the list of branches and replace the email address with the following “National Email: enquiries@shannons.com.au.”

GST

On page 7 of the PDS, in the section “Premiums and excess”, delete the first two sentences and replace with “The premium is the amount you pay us for this insurance and it includes stamp duty, GST, and if applicable other government charges.”

On page 44 of the PDS, in the section “GST”, delete the entire paragraph and replace it with the following:

“You must tell us about the input tax credit (ITC) you are entitled to for your premium and your claim, each time you make a claim.

If you do not give us this information or if you tell us an incorrect ITC, we will not pay any GST liability you incur.

If your vehicle is a total loss we will reduce any payment we make by an amount equal to your input tax credit entitlement, if any.

In all other circumstances our liability to you will be calculated taking into account any ITC to which you are entitled for any acquisition which is relevant to your claim, or to which you would have been entitled had you made a relevant acquisition.

Any payment we make to settle your claim will be considered to be made in full even if the amount we pay has been reduced as described above.

All limits of liability stated in your policy are GST inclusive.”

Financial Ombudsman Services (FOS)

Replace all references to Financial Ombudsman Services (FOS) in the PDS with “Financial Ombudsman Services (FOS) Australia.”

On page 52 of the PDS, in the section “You can contact FOS:” delete the entire contact information and replace with the following:

By phone: 1800 367 287

By Fax: (03) 9613 6399

By email: info@fos.org.au

In writing: Financial Ombudsman Service Limited,
GPO Box 3, Melbourne VIC 3001

By visiting: www.fos.org.au

Preparation date 10 November 2016.