

Car Advantage

Supplementary Product Disclosure Statement

This is a Supplementary Product Disclosure Statement (SPDS) issued by AAI Limited ABN 48 005 297 807 AFSL No. 230859.

This SPDS supplements the Apia Car Advantage Product Disclosure Statement (PDS) prepared on 7 April 2016 and must be read together with this PDS and any other SPDS we or may give you for this PDS.

The purpose of this SPDS is to:

- add a new additional feature 'Hire car after a not at fault incident' providing a hire car after an incident where you were not at fault and you can provide the details of the other driver who was at fault in the incident and update hire car conditions;
- amend how we manage replacement parts in the repair of your car;
- clarify the cover under 'new car after a total loss less than 2 years old';
- clarify when we will waive an excess;
- add to the definition of amount covered and market value;
- clarify cover for keys.

Changes to the PDS

Hire car

On page 27, insert the new additional feature 'Hire car after a not at fault incident':

Hire Car after a not at fault incident

Comes with

Comprehensive or Fire, Theft & Third Party Property Damage or Third Party Property Damage covers

After an incident covered by your policy where your car is damaged and:

- cannot be safely driven or is in for repairs; **and**
- we agree you or the driver of your car have no fault for the incident; and
- you have provided us with the name **and** address of the person at fault **and** the registration details of their car;

we will arrange and pay the reasonable hire cost of a car that meets your needs, using our provider (but only if our provider has a car available, and is within a reasonable distance of your location).

If there are no hire cars that meet your needs available from one of our providers within a reasonable distance of your location, then we will pay you the lesser of:

- the amount it would have cost us to provide you with a hire car that meets your needs using our provider, had one been available; **or**
- the actual cost you incur in making alternative travel arrangements.

Note: You must not arrange your own hire car unless you obtain our prior written consent. If you do, then we may decide not to pay for the hire car costs.

Insurance for your hire car

After arranging a hire car for you with our provider, we will cover accidental loss or damage to the hire car under this policy during the covered hire period as if the definition of 'car' in the policy had been extended to include the hire car. However, cover for loss or damage to the hire car is limited to the market value of the hire car.

Limit

The benefit stops when:

- we repair your car and return it to you; **or**
- we settle your claim.

Note: The benefits under this feature are subject to the 'Hire car conditions' on page 55.

We do not cover

Any hire car costs following damage to your car if you cannot provide the name **and** address of the other driver **and** the registration number of the other vehicle who was at fault in the incident.

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Rewarding experience



Hire car conditions

On page 55, insert in 'Hire car benefit conditions the following bullet point between the 3rd & 4th bullet point:

- agree and authorise us to lodge a claim on your policy in the event that the hire car is lost or damaged whilst on hire to you and we insure you pursuant to the cover provided in additional features 'Hire car after theft', 'Hire car after a not at fault incident' or optional cover 'Hire car after an event for unlimited days';

Authorising repairs and car parts

On page 11, delete the definition 'Original equipment parts'.

On page 43, in the content of 'Replacement of non-damaged parts' replace the text '(such as alloy wheels)' with '(such as alloy wheels and tyres)',

On page 53, delete the three bullet point paragraphs under the heading 'Authorising repairs and car parts' and insert the following:

- ensure the repair work is properly carried out;
- use new parts or quality reusable parts;

Parts used will:

- not void the warranty provided by the car manufacturer;
- comply with the car manufacturer's specifications and applicable Australian Design Rules;
- be consistent with the age and condition of the car;
- preserve or improve the safety and structural integrity of the car.

On page 53, replace the sections 'Glass repairs', 'Radiators and air conditioning' and 'Unavailable parts' with:

Glass repairs

Where available we will use aftermarket parts for windscreens and window glass (including sun roof) and repairs will meet Australian Design Rules.

Radiators and Air Conditioning

Where available we will use aftermarket parts for radiators and air conditioning

Unavailable parts

We are not responsible for costs which occur because of delays in delivery of parts. If a part is unavailable in Australia we will pay the cost of surface freight (not airfreight) from the nearest reasonable source of supply. We may not pay for any additional hire car costs (beyond the cover provided by additional feature 'Hire car', see page 27 and 'Hire car after a not at fault incident', see above for details) due to the delays in the delivery of parts.

On page 22 replace the first paragraph in the cover for "New car after a total loss for cars less than 2 years old" with:

When we accept your claim for loss or damage to your car and decide it is a total loss, we will replace your car if:

On page 48 replace the third paragraph under "What is an excess" with the following:

You will not have to pay an excess for an incident where we decide the driver of your car had no fault, **and** you can give us the name and address of the at fault driver **and** the registration number of the vehicle they were driving.

On page 55 replace the first sentence under 'We own the car salvage' with the following:

When we replace your car or pay you for the total loss, your car salvage becomes our property.

On page 9 add the following to the definition of "amount covered":

Amount covered includes registration and compulsory third party insurance.

On page 10 add the following to the definition of "market value":

Market value excludes costs of registration, compulsory third party insurance, stamp duty and transfer fees, dealer warranty costs or dealer delivery.

Page 16 replace the second bullet point under 'What we do not cover as your car' with the following

- lost car keys.

Page 26

Delete the additional feature 'Locks and keys'.

Page 43

Delete the general exclusion 'Keys'.

Who we are

Insurance is issued by AAI Limited (AAI). Australian Pensioners Insurance Agency Pty Limited ABN 14 099 650 996, authorised representative number 239591, acts as agent and authorised representative of AAI.