

CAR INSURANCE

SUPPLEMENTARY PRODUCT DISCLOSURE STATEMENT

This is a Supplementary Product Disclosure Statement (SPDS) issued by AAI Limited ABN 48 005 297 807 AFSL No. 230859, trading as GIO. This SPDS was prepared on 14 May 2021.

This SPDS supplements the GIO Car Insurance Product Disclosure Statement (PDS), prepared on 25 November 2020 and must be read together with the PDS that you hold and any other SPDS we may give you for this PDS.

The purpose of this SPDS is to introduce the optional cover 'Market value cover'.

Changes to the PDS

1. In section 6 'Optional cover you can pay extra for', after the GIO Roadside Assist optional cover on page 46 of the PDS insert:

 Market value cover 	
We cover 	You can choose to insure your car for market value rather than a specified amount, if we agree. This option may reduce your premium. Except for the terms of this optional cover, the cover provided by your policy otherwise remains the same. Note: If you select this optional cover, it cannot be removed from the policy during the period of insurance.
Limit 	If this option is shown on your certificate of insurance, your amount covered is the market value of your car at the time of the incident.
We don't cover 	The costs of stamp duty and transfer fees, dealer warranty costs and dealer delivery.

2. In the section 'Key Information About GIO Car Insurance', delete the paragraph under 'Optional covers you can pay extra for' on page 4 and replace with:

Depending on the level of comprehensive cover you have chosen, optional covers may be included in your policy or you may have to pay extra for them. In some cases they are not available with the level of cover you have chosen. If an optional cover applies to your policy it is shown on your certificate of insurance.

Note: The optional cover 'Market value cover' may reduce your premium rather than increase your premium.

See section 6 'Optional cover you can pay extra for' on page 43 for more information.

3. In the 'Summary of cover' delete the two paragraphs under the heading 'Optional covers' on page 7 and replace with:

Depending on the level of cover you have chosen, optional covers may be included with your policy or you may have the option to pay extra for them. Optional covers are not available with Fire, Theft and Third Party Property Damage Cover or Third Party Property Damage Cover.

Note: The optional cover 'Market value cover' may reduce your premium rather than increase your premium.

If an optional cover applies to your policy it will be shown on your certificate of insurance. See section 6 'Optional cover you can pay extra for' on page 43 for more information.

4. In the 'Summary of cover', in the table of optional covers, under GIO Roadside Assist optional cover on page 7, insert an additional row:

What we cover	GIO Platinum	Comprehensive	Fire, Theft & Third Party Property Damage	Third Party Property Damage	Page
 Market value cover					46



5. In section 6 'Optional cover you can pay extra for', delete the paragraph on page 43 and replace with:

Optional covers are only available with or included with Platinum and Comprehensive covers. Some optional covers you can purchase as an extra on your policy but the optional cover 'Market value cover' may reduce your premium. If an optional cover applies to your policy it will be shown on your certificate of insurance. All of the conditions of your policy and the 'Things we don't cover' in section 3 on pages 19 to 24 apply to the optional covers.

6. In the 'Summary of optional covers' table on page 44, insert an additional row in the table:

Summary of optional covers	GIO Platinum cover	Comprehensive cover
Market value cover	X	Optional

7. In section 11 'Words with special meanings', delete the definition 'Amount covered' on page 70 and replace with:

Amount covered

means the maximum amount we will pay for loss or damage to your car in any one incident, unless we say otherwise in your policy, and includes GST and unexpired registration and compulsory third party/motor accident injuries insurance. It also includes any accessories and modifications that are fitted to your car. Deductions may apply, see page 53 for amounts that are deducted on a total loss settlement.

The amount covered shown on your certificate of insurance will be a dollar amount, or if the Market value cover optional cover is shown on your certificate of insurance the amount covered will be 'market value'. The meaning of 'market value' is on page 71.

8. In section 11 'Words with special meanings', delete the definition 'Market value' on page 71 and replace with:

Market value

the amount that the market would pay for the car (or hire car). The market value of the car (or hire car) includes many factors such as age, make, model, kilometres travelled and general condition of the car (or hire car). We may use recognised industry publications to assist us in calculating the amount. Market value includes the cost of unexpired registration and compulsory third party/motor accident injuries insurance. Market value excludes costs of stamp duty and transfer fees, dealer warranty costs or dealer delivery.

9. In section 8 'How we settle claims – some examples' on page 60, insert:

Example 8 – Total loss with Market value optional cover

Your car is 12 years old, insured with the Comprehensive level of cover and you have the Market value optional cover shown on your certificate of insurance. Your standard excess is \$650 and you have not chosen a voluntary excess. Your car is damaged by a tree falling on it during a storm and we assess that the cost of repairs to your car will be \$6,600. The market value of your car at the time of the incident is \$4,500. Your car is uneconomical to repair and is a total loss. As your car is more than 2 years old the 'New car after a total loss for cars less than 2 years old' additional cover does not apply to you.

Your claim		Additional information
Market value	\$4,500	This is the market value of your car at the time of the incident. When your car is damaged accidentally, it is a total loss when it is uneconomical or unsafe to repair.
Less excess payable	-\$650	As your car has been damaged by a tree falling on it during a storm the standard excess applies. In this example, this amount is deducted from the amount we pay you.
Less unexpired registration and CTP/MAI insurance	-\$300	You collect the unexpired registration and CTP/MAI insurance from the relevant roads authority. The amount is deducted from the amount we pay you.
Claim so far	\$3,550	
If your insurance was paid through instalments of \$40 per month and there are four remaining monthly payments in the period of insurance when your car is damaged:		
Less outstanding premium	-\$160	The 4 x \$40 monthly repayments become due when your car is a total loss. We normally deduct this from the amount we pay to you.
Total claim	\$3,390	We would normally pay this directly to you. If a credit provider has a financial interest in your car then we would normally pay your credit provider what they are owed first and pay any balance to you.

There is no refund of the premium. All cover on your car stops, and your policy comes to an end. The salvage becomes our property and we keep the proceeds of its sale. This does not affect the amount we pay you.

