

COMPREHENSIVE CAR INSURANCE POLICY

Product Disclosure Statement

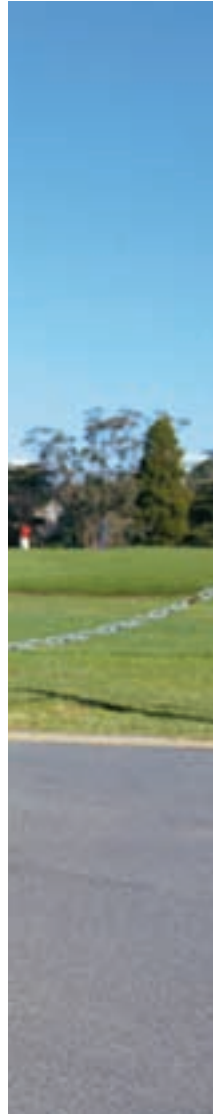
AAMI





Contents

Your AAMI Product Disclosure Statement – The AAMI Comprehensive Car Insurance Policy	4
Our commitment to you Important general information	8
Value for money	14
What do we mean by that?	16
The information we need from you and what you need to do	19
The protection and benefits we provide for you	20
About excesses, ratings, bonuses and benefits	26
Are you covered?	34
Will we pay for?	36
What to do and what happens when your car is damaged or stolen	38
AAMI chooses the repairer and arranges the repair	39
The AAMI Consumer Appeals Service	45



Your AAMI Product Disclosure Statement

The AAMI Comprehensive Car Insurance Policy

This Product Disclosure Statement provides information about the product we offer – the AAMI comprehensive car insurance policy.

This Product Disclosure Statement was completed on 1 April 2008.

Product Disclosure Statement Content Summary

A summary of the content of the AAMI comprehensive car insurance policy is provided on pages 5–7. For the full details of the policy cover, benefits and conditions, you must read the entire policy.



Overview		Page
Contacting AAMI:	You can contact AAMI by phone, email, mail, in person.	8
Premiums:	What we take into account in arriving at a premium.	8
	Paying by instalments.	9
Renewals:	Renewing your policy.	11
Changing address:	What to do when you change address.	11
Taxes and charges:	Government taxes and charges are shown on receipts.	12
Cooling off; Cancelling your policy:	You can cancel your policy within 14 days of its purchase date. AAMI also provides that you can cancel this policy at any time. To cancel this policy, please contact AAMI on 13 22 44.	12
Joint policy-holders:	What happens when you insure jointly.	12
	Privacy: The privacy of your personal information.	12
Consumer appeals:	The AAMI Consumer Appeals Service. The Financial Ombudsman Service (FOS).	45
Customer Charter:	The AAMI Customer Charter makes service and reporting promises.	13
Definitions:	Some words in this policy have defined meanings.	16
Duty of disclosure:	AAMI does not rely on the general duty of disclosure but AAMI does require you to give honest, correct and complete answers to any questions we ask you.	19

Cover	Page
Accidental loss of or damage to your car.	20
Legal liability.	43
Excesses: The excesses that may apply to your policy.	26
Conditions	
Some words in this policy have defined meanings.	16
Are you covered?	34
Will we pay for?	36
Inspecting and repairing your car.	40
Conditions affecting our write-off payment or car replacement.	42
Admission of liability.	43
Giving assistance.	43
Additional benefits	
A replacement car or fair value if your car is written off.	21
A rental car if your car is stolen.	22
A rental car at a low daily rental rate while accidental damage to your car is being repaired under your AAMI policy.	22
Towing your damaged, undriveable car.	23
Accidental damage to your trailer.	23
Replacement personal clothing.	24

Insurance when you replace your car.	24
Accidental death benefit.	24
Emergency costs.	24
Hassle-free claims service.	38
Lifetime Repair Guarantee.	40
Original Equipment Manufacture (OEM) parts.	40
Premium benefits	
Rating and No Claim Bonus benefits.	28
No fault, no effect on your rating/discount.	28
Claims	
The AAMI claims service.	38
Repair quotations.	39
If your car can be safely driven.	39
If your car cannot be safely driven.	39
Inspecting and repairing your car.	40
Contributing to repair work.	40
If your car cannot be repaired.	41
If your car has been stolen.	41
Write-off payments or replacing your car.	42
If someone else's property is damaged.	43

Our commitment to you

If your car has been damaged or stolen, or someone is claiming against you, please phone us immediately so that we can take away the stress and hassle by taking care of everything for you. Call 13 22 44. We are here to help you 24 hours a day, every day of the year. Please retain this policy booklet so you can refer to it if required.

Important general information

You can contact us:

By phone: Call 13 22 44 (24 hours a day, 7 days a week).

Via the Internet: www.aami.com.au

By mail: PO Box 99, North Sydney, NSW 2059.

In person: Call 13 22 44 for the address of the closest AAMI branch or customer service centre.

When we quote you a premium

When we quote you a premium for insuring your car, the factors we take into account include:

- the insurance, driving history and age of the people who will be driving your car,
 - the value, age, make and model of your car,
 - our experience of claims frequency and repair costs for cars of that age, make and model,
 - the insured address (the address where your car is normally left overnight),
 - the type of any finance arrangement affecting your car,
 - the frequency of your instalments,
 - whether you use your car for private or business purposes.
- See pages 17–18 for further details.

You can choose to pay a lower premium by selecting an extra excess. The higher the excess you choose, the lower your premium. Please call 13 22 44 for full details.

Government taxes and charges are included in the premium we quote.

An excess may be payable on any claim you make on this policy. See page 26 for further details.

Paying your premium

The notices we issue at the commencement and each renewal of your policy show the various payment methods available to you.

A change to your policy details (for example change of address, change of car or modifications) may affect the premium you need to pay for the remainder of your period of cover. If a refund is payable we will send you a cheque or credit your account, less our reasonable charge for administrative and processing costs. Any extra premium needs to be paid by you within 14 days. If you do not pay the additional premium, we may reduce your period of cover to correspond with the amount you have already paid.


Paying by instalments

You may also be eligible to pay in regular instalments by direct debit. The total premium we charge is higher when you pay in instalments than when you pay one sum annually.

Your responsibilities when paying by instalments

When paying by instalments:

- you must be an authorised signatory on the account nominated for your direct debit payments,
- you must ensure that your nominated account can accept direct debits and has sufficient funds to meet each payment at each due date,



your financial institution may also apply its own fees (including dishonour fees). Those fees are your responsibility.

What happens if your instalment remains unpaid?

AAMI may cancel your policy without notice if an instalment payment remains unpaid for one month or more.

AAMI will not accept any claims if an instalment payment has remained unpaid for a period of 14 days or more.

Changing your instalment payments

If you wish to change or cancel your direct debit arrangements, you need to contact us at least seven days before the debit day.

If you cancel the debit completely, you will need to arrange for another way to pay us your premium, to ensure you remain covered.

Important things to remember when paying by instalments

When you first commence your direct debit payments, or when you change your account details, it may take up to 14 days for us to first debit your account.

If you believe that we may have incorrectly debited your account, please contact us on 13 22 44.

If we decide to make a write-off payment or replace your car under your policy, we will require you to first pay us the total unpaid balance of your premium. In the case of a write-off payment, we will deduct the unpaid amount from the payment we make.

Renewing your policy

When we offer to renew your policy:

we will send you a notice before the policy expiry date,

we will tell you in writing if there are any changes to the policy. Changes that benefit you apply from their introduction. Changes introducing limitations apply from the policy's renewal,

we may require an additional premium if you make a claim in the short period between the time we calculated the renewal premium and the expiry of your policy, or if you tell us about changes to your policy details in that period and we tell you they will increase your renewal premium. If the additional premium is not paid, we may reduce your next period of insurance to match the amount you have paid.

Changing your address details

If you change the insured address (the address where your car is normally left overnight), please call us and we will:

update your details and tell you if there is any difference in the terms and conditions of your policy as it applies at your new address,

refund or charge you any difference between the premium you paid and the premium we charge for the remainder of your period of cover for cars insured at your new address. Any refund we make will be less our reasonable charge for administrative and processing costs.

If you do not tell us of a change of insured address and you make a claim, we will ask you to pay any increased premium or reduce the claim by that amount.

Government taxes and charges

AAMI shows on receipts any government taxes and charges such as GST, Stamp Duty and Fire Services Levy included in insurance premiums.

GST

The amounts covered for your car and legal liability include GST. Any amounts we pay under 'The benefits' include GST.

Cooling off period

Federal law provides that you can cancel your policy within 14 days of its purchase date. To cancel this policy, please call AAMI on 13 22 44.

...and cancelling this policy

AAMI also allows you to cancel your policy at any time. In both cases, we will refund you the unexpired portion of the premium less any cancellation processing charge to cover the reasonable administrative and transaction costs incurred by AAMI. To cancel your policy, please call AAMI on 13 22 44.

We can only cancel your policy by giving you written notice in accordance with the *Insurance Contracts Act 1984*.

Joint policyholders

If more than one person takes out this insurance, each is a joint policyholder.

Each joint policyholder gives authority to each other joint policyholder to make any changes to this policy including cancelling this policy or removing a joint policyholder.

AAMI may agree to any change without notice to any person other than the joint policyholder requesting the change.

The privacy of your personal information

We are committed to protecting the privacy of your personal information.

That commitment is reflected in the AAMI Customer Charter and in our compliance with the National Privacy Principles. For further information, please visit our website www.aami.com.au or call us on 13 22 44 for a copy of our 'AAMI and Your Personal Information' brochure.

AAMI's Customer Charter

We are committed to always provide you with the highest standard of service. The AAMI Customer Charter is a written document containing service and reporting promises which we are bound to deliver. In fact, we impose a penalty on ourselves if we fail to do so.

This unique Charter was drawn up through consultation with our staff, our customers and industry regulators, and is reviewed annually. Compliance with our promises is independently audited every year and the results are reported publicly.

The AAMI Customer Charter, introduced in 1996, was Australia's first general insurance customer charter, and indeed, first retail customer charter. The Charter is your guarantee that we're always striving to deliver the best in customer service.

The General Insurance Code of Practice

AAMI is a signatory to the General Insurance Code of Practice, which sets out a commitment by the general insurance industry to raise standards of service, and to promote better relations between customers and insurers.

The Code describes standards in areas such as buying insurance, claims handling, responding to catastrophes and disasters, information and education and dispute resolution. The Code was introduced in 1995 with the backing of consumer groups, the federal government, insurers and the Insurance Council of Australia.

More information on the Code, or a copy of the Code, can be obtained from the Financial Ombudsman Service (FOS). You can contact the FOS on 1300 780 808 (local call cost) or you can access the Code at www.codeofpractice.com.au.



Value for money

AAMI Maximum No Claim Bonus for life

We recognise your good driving record. Once you've held an AAMI Maximum No Claim Bonus for three consecutive years, we'll give it to you for life, at no extra cost. No matter how many accidents you have in the future. See page 30 for details.

Hassle free claims

We take away the hassle and stress of having an accident. From quotes to repairs to keeping you informed of your car's progress. See pages 38–44 for details.

Lifetime Repair Guarantee

Because we take total responsibility for your car repairs, we guarantee them for the life of your car. Even if you sell it. See page 40 for details.

OEM parts

OEM (original equipment manufacture) parts will be used in the repair of your car. See pages 40–41 for details.

Accident rental car

Our accident rental car service can provide you with a rental car at a low daily rate while your car is being repaired. When you are an AAMI Rating One driver, you can obtain an even lower daily rate by pre-purchasing this benefit when you commence or renew your policy. See pages 22–23 for details.

Theft rental car (if your car is stolen)

If you're unfortunate enough to have your car stolen, we can provide you with a rental car for up to 14 days. See page 22 for details.

Refund of emergency costs

If you're in trouble over 100 km from home, we can help with the refund of emergency costs. See pages 24–25 for details.

AAMI Skilled Drivers Course

Your children under 25 are eligible for a free one-day course designed to improve their driving skills. On completion they receive discounts on AAMI comprehensive insurance until they're 25 (available in Adelaide, Brisbane, Canberra, Hobart, Melbourne and Sydney). Call 13 22 44 for details.

AAMI home and contents insurance discounts

You may qualify for generous discounts on your AAMI home and contents insurance. Call 13 22 44 for details.

What do we mean by that?

AAMI, we, us and **our** mean Australian Associated Motor Insurers Limited (ABN 92 004 791 744).

Amount covered is the most we will pay, less any excess, for any accidental loss and damage covered by your AAMI policy occurring during the period your car is insured with us. The amount covered includes GST. The current amount covered is shown on the most recent of your insurance schedule and your renewal notice.

If we declare your car a write-off because of damage or theft, the amount covered will be your car's **agreed value**. See page 21 for details.

Cover and **covers** mean the protection provided by your policy.

Endorsement means a special condition that applies to your policy. For example, an endorsement may state that drivers under a nominated age are not covered under the policy. Any endorsements to your policy are shown on your insurance schedule.

Excess. An excess on your policy is the first amount that you must contribute towards each claim. When one or more excesses apply to your policy, they will be shown on the most recent of your insurance schedule and your renewal notice. See also page 26.

Family means your spouse or partner living with you and your children who ordinarily live with you.

Period of cover means the current period for which we have agreed to provide you with insurance cover. The current period is shown on the most recent of your insurance schedule and renewal notice and any receipt we may send to you. When we make a write-off payment or replace your car, the period of cover comes to an end. See also pages 41–42.

Policy means this booklet and your **policy schedule**.

Your **policy schedule** comprises the notices we give you which show the particular details and the current status of your policy. These notices



are the most recent of your **insurance schedule** and **renewal notice**, and any **receipt** we may send you.

Your **insurance schedule** sets out the information you have given us on which we have based our decision to insure you as well as the individual details of your policy. We will send you an updated insurance schedule whenever you advise us of a change in this information or these details.

Use means the **private use** or **business use** of your car.

Private use: Use of your car for social, domestic and pleasure purposes and incidental business use where you are not using your car during your full-time, part-time or casual working period as an integral means of earning your income.



The information we need from you and what you need to do

Business use: Use of your car during your full-time, part-time or casual working period as an integral means of earning your income that you have told us about and we have agreed to cover. Business use also includes social, domestic and pleasure use.

Private use and **business use** both cover the private use of your car in conjunction with repairing, servicing, testing, free driving lessons, private car pooling and demonstration for sale provided you are the driver or a passenger during the demonstration.

Write-off. Your car is declared a write-off when in our opinion, it is so badly damaged that it would not be either safe or economical to repair or when it has not been found within 14 days of you reporting its theft to us.

You and **your** mean the person or persons named as the insured in your insurance schedule.

Your car means the motor vehicle described in your insurance schedule and includes the manufacturer's standard options and accessories fitted to it and other options and accessories that you have told us about and we have agreed in writing to cover.



When we agree to insure you, to renew or vary your policy, or to pay your claim, our decision relies on the accuracy of the information you give us. If that information is not accurate, we can reduce or deny any claim you may make or cancel your policy. We never want to have to do that, so you must answer honestly, correctly and completely the questions we ask about:

- you,
- any other people who drive or will drive your car,
- your car,
- the driving and insurance history of you and any other people who drive or will drive your car,
- any events involving your car that result in a claim on your AAMI policy.

You must observe the conditions contained in your AAMI policy.

You must pay or agree to pay us the premium we charge and any excesses that apply.

You should retain this policy booklet so you can refer to it if needed.

When you renew your policy, we do not require you to comply with the general duty of disclosure. It is enough for you to simply tell us if the information on your renewal notice is incorrect or incomplete.

Evidence of ownership

When you make a claim, we may ask you to provide evidence of ownership and value of property. This evidence includes:

- receipts, credit card and bank statements, photographs and contracts of sale.

If you are unable to provide us with the evidence we require, we may reduce or refuse to pay your claim.

The protection and benefits we provide for you

The protection

Having your car involved in an accident or stolen is an unpleasant and worrying experience.

But when you insure your car with AAMI, we look after you.

We will pay for any accidental loss, damage and liability for property damage covered by your AAMI policy occurring during the period of cover.

When your car has been damaged, we will decide either to repair your car, pay the cost of repairing your car, or declare your car a write-off and pay the amount covered. See pages 39–42 for details.

When your car has not been found after being stolen, we will declare your car a write-off and pay the amount covered. See pages 41–42 for details.

When the use of your car causes damage to someone else's property, we will pay for your legal liability. See page 43 for details.



This policy does not cover some events, circumstances and situations

As you read through this policy, you will see there are some events, circumstances and situations it does not cover. To make sure you are aware of all these exclusions, please read the whole policy carefully including the section 'Are you covered?' beginning on page 34.

The benefits

A replacement car or fair value if your car is written off

A replacement car

If we declare your car a write-off because of damage or theft within the first 12 months of its original registration, we will replace it with a new car and pay the on-road costs. If we cannot replace your car we will pay you the amount covered (see definition on page 16). See pages 41–42 for full details.

...or agreed value

If we declare your car a write-off and more than 12 months have passed since it was originally registered, the amount covered we will pay is its agreed value.

Your car's agreed value is set at the beginning of each period of cover. It is based on the fair value given then for your car's make and model in the motor trade's most commonly accepted price handbook. The value doesn't change for the period of cover.

Almost all cars depreciate with age and use, so the agreed value we offer each time your policy becomes due for renewal, almost always will be lower than the year before.

Theft rental car (if your car is stolen)

We can provide you with a rental car if your car is stolen provided:

you have claimed on this policy,

you have paid any excesses that apply.

The rental car will be available to you for up to 14 days or until your car is found, whichever comes first.

If your car is found undamaged within this period and the rental car fee is:

less than any excess you have paid, we will refund the balance,

more than any excess you have paid, we will pay the balance.

If your car is recovered damaged, you can keep the rental car for the full 14 days or until your car is repaired, whichever comes first. If the damage is such that we declare your car a write-off, you can keep the rental car for the full 14 days or until we pay the amount covered, whichever comes first.

We will pay the daily rental fee for the period the rental car is provided to you and the car will be covered by your AAMI policy during this period. If it is involved in an accident during this period and you wish to lodge a claim on your policy, you must pay any excesses that apply.

The cost of fuel will be your responsibility. Other rental conditions apply and they are available by phoning us on 13 22 44. They include a daily kilometres allowance, limitations on authorised drivers, return of car to pick-up location and the lodgement of a security bond.

Accident rental car

We can provide you with a rental car at a low daily rental rate while accidental damage to your car is being repaired under your AAMI policy.

If you are an AAMI Maximum No Claim Bonus driver, you can obtain an even lower daily rate by pre-purchasing this benefit when you commence or renew your policy. The lower rate is available for up to ten days.

You will be responsible for paying the daily rental fee for the period the rental car is provided to you and the car will be covered by your AAMI policy during this period. If it is involved in an accident during this period and you wish to lodge a claim on your policy, you must pay any excesses that apply.

The cost of fuel will be your responsibility. Other rental conditions apply and they are available by phoning us on 13 22 44. They include a daily kilometres allowance, limitations on authorised drivers, return of car to pick-up location and the lodgement of a security bond.

Switching to AAMI?

At AAMI, we believe that establishing a safe driving record and becoming a Maximum No Claim Bonus driver should always be something to be proud of, that also earns you meaningful rewards. So when you switch to AAMI, we review your car insurance and driving record and welcome you with the rating and premium you would have earned had you always been comprehensively insured with AAMI.

We offer a range of premium related benefits that you may qualify for from the moment you become an AAMI policyholder. Please note that some of these benefits require the payment of an extra amount on your premium. See pages 30–33 for details.

We help with the cost of towing your car

We pay the reasonable cost of towing your car to the nearest repairer or place of safety if it is damaged and cannot be safely driven.

We help pay for damage to your trailer

We pay up to \$750 for accidental damage to your trailer which occurs while it is attached to your car.



...and to your clothing

We pay up to \$200 for replacement of personal clothing damaged in an event which causes damage to your car.

What happens when you replace your car

If you replace your car with another car, we will insure the replacement car from the time of its purchase, provided:

- the replacement car is one that we would normally insure,
- you tell us within 14 days of the purchase of the replacement car,
- you pay any additional premium we require.

The cover ends for the replaced car and begins for the replacement car at the time you take delivery of the replacement car.

We provide an 'Over 25' accidental death benefit

We will pay your legal personal representative \$5,000 if you die within 12 months as the result of an accident while driving your car. Your death must be the direct result of bodily injury caused in the accident (but not by suicide) and you must have been at least 25 years old at the time of the accident.

Emergency costs – mechanical breakdown, accident or theft

We know how stressful it can be to have a trip interrupted by an accident, mechanical breakdown or theft involving your car. That's why if you (or a family member driving your car) are in trouble because of such an incident and you're over 100 km from home, AAMI Assist will help with emergency costs. No excess is payable on these benefits.

If you have a current AAMI comprehensive car insurance policy, you can call AAMI Assist on 13 22 64 from anywhere in Australia 24 hours a day, 7 days a week. We'll help by reimbursing these emergency costs you incur:

- up to \$500 of the overall cost, for you and members of your family travelling with you, of essential accommodation and travelling expenses,
- up to \$1,000, with a limit of \$500 per item, of personal items such as luggage or clothing damaged or lost in the accident or theft,
- up to \$100 of the cost of towing your car to the nearest repairer after a mechanical breakdown.

About excesses, ratings, bonuses and benefits

Excesses

An excess on your policy is the amount you have to pay towards each claim. If your claim is for more than one occurrence, the excess/es applicable to each occurrence will be payable.

When one or more excesses apply to your policy, they will be shown on your insurance schedule and updated on your renewal notice. If required by us, you must pay your excess before we make any payment or provide you with any policy benefits.

The types of excesses are:

Standard This is the basic excess you must contribute towards each claim.

Age This excess is additional to the standard excess if your car was being driven by a person in the age ranges specified on the most recent of your insurance schedule and renewal notice.

Inexperienced driver This excess is additional to the standard excess if your car was being driven by a person to whom an age excess does not apply, but who has held a driving licence for less than two years.

Additional This excess may be imposed in special circumstances, for example on high performance cars. It is payable in addition to any other excesses.

You can choose to pay a lower premium by selecting an extra excess. The higher the excess you choose, the lower your premium. Please call 13 22 44 for full details.

Will you have to pay any excess?

Was the accident or the event your fault?	Can you give us the name and address of the person who was at fault or the registration number of their car?	Will any excess be payable?
No	Yes	No
No	No	Yes, because we won't have the opportunity to recover the cost of the damage to your car.
No	No, because... Your car was stolen. Your car was damaged while it was parked. Your car was damaged by an animal or the elements. Your claim is for a broken windscreen.	Yes, because we won't have the opportunity to recover the cost of the damage to your car.
Yes	–	Yes

Discounts on your car insurance premium

Rating and no claim bonuses

Ratings, no claim bonuses and no claim discounts all describe essentially the same thing – a discount on your car insurance premium. The discount increases each year providing no claim that reduces your rating/discount is made on your policy. It keeps on increasing until it reaches the maximum discount level, called 'rating one' or 'maximum no claim bonus'.

Increased excess premium discount

You can choose to pay a lower premium by selecting a higher excess. The higher the excess chosen, the bigger the discount. Please call 13 22 44 for full details.

Will your claim affect your rating/discount?

Was the accident or the event your fault?	Can you give us the name and address of the person who was at fault or the registration number of their car?	Will your rating/discount be reduced?
No	Yes	No
No	No	Yes, because we won't have the opportunity to recover the cost of the damage to your car. No, if you are on an AAMI Lifetime Rating One or Lifetime Maximum No Claim Bonus or if you have purchased protection for these ratings. See also page 30.

No	No, because... Your car was stolen. Your car was damaged while it was parked. Your car was damaged by an animal or the elements.	Yes, because we won't have the opportunity to recover the cost of the damage to your car. No, if you are on an AAMI Lifetime Rating One or Lifetime Maximum No Claim Bonus or if you have purchased protection for these ratings. See also page 30.
No	No, because your claim is for a broken windscreen.	No
Yes	–	Yes No, if you are on an AAMI Lifetime Rating One or Lifetime Maximum No Claim Bonus or if you have purchased protection for these ratings. See also page 30.

AAMI provides these premium related benefits

	How is this benefit obtained?
The AAMI Lifetime Award	When you have been an AAMI Rating One or an AAMI Maximum No Claim Bonus policyholder for three consecutive years, we recognise your good driving record with our AAMI Lifetime Award.
AAMI Rating One and Maximum No Claim Bonus Protection	When you have been an AAMI Rating One or an AAMI Maximum No Claim Bonus policyholder for less than three years, by paying an extra amount on your premium when you renew your policy.
AAMI Rating One and Maximum No Claim Bonus Rental Car Discount	You have to be an AAMI Rating One or an AAMI Maximum No Claim Bonus policyholder and pay an extra amount on your premium when you renew your policy.
Same Rating/ No Claim Bonus – spouse or partner	By insuring your spouse or partner's car with AAMI.

What/who does it cover?	What is the benefit?
Cars insured in your name under AAMI policies to which we have awarded AAMI Lifetime status are covered.	Your AAMI Lifetime status and your maximum discount level are protected for life, regardless of who was at fault in any claim you may make on your AAMI Lifetime policy.
You or your spouse or partner living with you.	Your maximum discount level is protected for one at-fault claim during the period of cover.
You or your spouse or partner living with you.	We will provide you with a subsidised quality rental car for up to ten days while yours is being repaired after a claim on your AAMI policy. The current additional premium and the daily rental charge are available by calling AAMI on 13 22 44.
Your spouse or partner living with you.	When your car is insured with us, we'll insure your spouse or partner's car at the same discount. Your spouse or partner has to be living with you. Our normal insurance acceptance conditions apply to the driver and the car.



	How is this benefit obtained?
Family Rating – your children	By having your children insure their cars for comprehensive cover with AAMI.
Earned Rating/No Claim Bonus – new policyholder	By switching your car insurance to AAMI.
Earned Rating/No Claim Bonus – third party to comprehensive	By switching from third party property damage to AAMI comprehensive car insurance.



What/who does it cover?	What is the benefit?
Your children, provided your car is comprehensively insured with AAMI.	When your children insure their cars for comprehensive cover with AAMI, we give them a no claim discount for each year they've been driving claim free. Our normal insurance acceptance conditions apply to the driver and the car. See also the AAMI Skilled Drivers course on page 15.
You or your spouse or partner living with you.	When you switch your car insurance to AAMI, we'll give you the rating/no claim bonus you would have earned had you always been comprehensively insured with AAMI.
You.	When you switch from third party to AAMI comprehensive car insurance, we'll give you the rating/no claim bonus you would have earned had you always been comprehensively insured with AAMI.

Are you covered?

If your car was being used in connection with it being serviced or repaired.	YES
If your car was being used for free driving tuition.	NO
But you or a driver named on the most recent of your insurance schedule and renewal notice were a passenger.	YES
If your car was being demonstrated for sale.	NO
But you or a driver named on the most recent of your insurance schedule and renewal notice were a passenger.	YES
If the driver of your car was not licensed or authorised to drive it.	NO
But your car was being driven without your consent.	YES
If the driver of your car was under the influence of intoxicating liquor or of a drug or whose blood alcohol level was in excess of the legal limit in force where your car was being driven or who refused or failed to submit a specimen for testing as required by law where your car was being driven.	NO
But your car was being driven without your consent.	YES
If your car was in an unroadworthy or unsafe condition that contributed to the accident being a condition that was known to and disregarded by you.	NO
If your car was carrying more passengers or loaded above the legal limit or loaded in an illegal way.	NO
If your car was being used or tested in or for a race, trial, test or contest.	NO
If your car was being used on a competition circuit, course or arena.	NO

If your car was being used for hire or reward.	NO
If during your full-time, part-time or casual working period, you normally use your car as an integral means of earning your income.	NO
But you have told us about your use of your car and we have agreed to insure it for business use and its carrying capacity does not exceed two tonnes.	YES
If your car was outside Australia.	NO
If your car was converted, altered or modified from its maker's specifications.	NO
But we have provided you with written agreement to the modification.	YES
For the non-standard accessories you have fitted to your car.	NO
But you have told us and we have agreed in writing to cover these accessories.	YES



Will we pay for?

Any reduced value of your car after your car has been damaged and repaired and the repairs have been properly performed.	NO
Repairs carried out without our written consent.	NO
Personal items stolen from your car, other than as provided for under 'Emergency costs' on page 24.	NO
Repair or replacement of a whole set, for example, of wheels, where the loss or damage is to part of a set.	NO
Loss because you cannot use your car, for example, of wages or commission.	NO
Depreciation, wear, tear, rust or corrosion.	NO
Mechanical, structural, electrical, electronic or other failure or breakdown.	NO



Damage to your tyres caused by application of brakes or by road cuts, punctures or bursting.	NO
Loss or damage caused intentionally by you or a person acting with your express or implied consent.	NO
Loss or damage caused by failure to take reasonable steps to secure your car after it has broken down, been damaged in an accident or you have been notified that your car has been found after it was stolen.	NO
Loss or damage caused when driving your car after receiving medical advice that your ability to drive your car is impaired by your condition or medical treatment.	NO
Loss or damage caused by the lawful repossession or seizure of your car.	NO
Loss or damage caused by any war, warlike activities or revolution including any looting or pillaging.	NO
Loss or damage directly or indirectly caused by, arising from, or connected with: the use, misuse or existence of nuclear weapons; or the use, misuse, escape or existence of nuclear fuel, waste or nuclear materials or ionising radiation or contamination from such fuels, waste or materials; or combustion, detonation, fission and/or fusion of nuclear fuel or nuclear materials.	NO
Loss or damage directly or indirectly caused by, arising from, or connected with actual or threatened chemical or biological pollution or contamination; or action taken by a public authority or any body authorised by a public authority to prevent, limit or remedy such actual or threatened release, pollution or contamination.	NO

What to do and what happens when your car is damaged or stolen

Having your car damaged or stolen is a rare experience for most people. This chart will help you understand what AAMI will do to get you back on the road as soon as possible.

You phone AAMI (as soon as possible) on 13 22 44.

Your car has been damaged

For your peace of mind, our claims service chooses the repairer and arranges the repair for you.

We ordinarily obtain two independent, competitive quotes from repairers recommended by AAMI.

Our assessor reviews the quotes and what is necessary to properly repair your car and we choose the repairer who has submitted the more competitive and complete quote. That will be the repairer who repairs your car. We have your car repaired, keeping you informed all the way along.

When the repair is completed, we advise you your car is ready for collection. We provide a Lifetime Repair Guarantee.

In areas not covered by an AAMI Customer Service Centre, we arrange the repair of your car in consultation with you.

Your car has been stolen

You report the theft immediately to the police and to AAMI. We can provide a quality rental car for up to 14 days.

If your car has been damaged during the time it was stolen, we will arrange for it to be repaired.

We allow 14 days for your car to be found from when you reported its theft to us. If it is not found, and we are satisfied your claim is in order, we declare your car a write-off and pay the amount covered.

AAMI chooses the repairer and arranges the repair

Usually, damage to cars is repairable.

If your car has been damaged and can be repaired, our responsibility to you when we authorise repairs is to ensure that the repair work is properly carried out.

For your peace of mind, we choose the repairer and arrange the repair.

We ordinarily obtain two independent, competitive quotes, from repairers recommended by AAMI. If you want, you can choose a repairer to provide one of the quotes. Our assessor will review the quotes, including any quote from a repairer you choose, and what is necessary to properly repair your car. We will choose the repairer who has submitted the more competitive and complete quote and that will be the repairer who repairs your car.

We have your car repaired, keeping you informed all the way along.

When the repair is complete, we advise you your car is ready for collection.

If your car can be safely driven

All you do is drive your car to your nearest AAMI Customer Service Centre and leave it with us. We pay for your taxi home or back to work.

In areas not covered by an AAMI Customer Service Centre, we arrange the repair of your car in consultation with you.

If your car cannot be safely driven

We transport your car to the AAMI Customer Service Centre nearest to you. Your car and personal possessions are protected under cover there.

In areas not covered by an AAMI Customer Service Centre, we arrange the repair of your car in consultation with you.



Inspecting and repairing your car

You must make your car available to us if we decide to inspect or repair it. If requested by us, you must take your car or allow it to be towed to a place nominated by us.

You must not authorise the repair of your car without our written authority.

Your contribution to repair work

If the repair of your car leaves it in a better condition than before it was damaged, we may ask you to contribute to the repair cost.

The AAMI Lifetime Repair Guarantee

The quality of the workmanship, any sublet repairs, and the materials authorised by AAMI in the repair of your car will be guaranteed for the life of the car. If you are concerned about the quality of the repair of your car, you must call us on 13 22 44 and you must make your car available to us. We will inspect the repair and arrange any necessary rectification work. You must not authorise rectification work without our written authority.

Where replacement parts are required for the repair of your car...

and your car is within its manufacturer's standard new car warranty period

New OEM (original equipment manufacture) parts will be used except for the replacement of windscreens and window glass for which Australian manufactured, Australian Design Rule compliant parts may be used.

and your car is outside its manufacturer's standard new car warranty period

New and/or reconditioned OEM (original equipment manufacture) parts will be used except for the replacement of windscreens and window glass for which Australian manufactured, Australian Design Rule compliant parts may be used.

Parts produced by OEM suppliers may be used in the repair of components such as radiators and air condensers.

What we do if your car cannot be repaired

Sometimes cars are so badly damaged that they would not be either safe or economical to repair.

If in our opinion, the damage to your car is so great that it would not be safe or economical to repair, we will declare your car a write-off and pay the amount covered.

If your car has been stolen

You must report the theft immediately to the police and to AAMI.

Most times your car will be found undamaged.

If it has been damaged, the procedure will be exactly the same as if your car had been damaged in an accident.

...and if your car is not found

We allow 14 days for your car to be found from when you reported its theft to us. If it is not found, and we are satisfied your claim is in order, we declare your car a write-off and pay the amount covered.

A replacement car or the amount covered

If your car becomes a write-off because of damage or theft within the first 12 months of its original registration, we will replace it with a new car and pay the on-road costs.



The replacement car:

will be of the same make, model and series as your car,

will be fitted with the same insured options and accessories as those fitted to your car,

has to be locally available. If it is not locally available, we will pay the amount covered.

If your car is under finance, you have to obtain the approval of the financier before it can be replaced.

What happens when we make a write-off payment or replace your car

When we make a write-off payment, we pay the amount covered and your policy comes to an end. Your policy also comes to an end if we replace your car. Because our payment or replacement meets all our obligations to you in full:

there is no refund of any portion of the premium. We retain your car unless you wish to keep it. 'Your car' includes all insured options and accessories and unless legislation in your state provides otherwise, the value of any unexpired portion of the registration,

if you wish to retain your car in its damaged condition, its salvage value will be deducted from our payment or, if we replace your car, you will first need to pay us its salvage value,

you will first need to pay us the total unpaid balance of your premium, including any unpaid additional premium owing. If we make a write-off payment, we will deduct this amount from the payment we make.

When we agree to make a write-off payment, we will post a cheque for the agreed amount or deposit it directly into your nominated bank account.

What we do if someone else's property is damaged

(legal liability)

We cover your legal liability for any loss or damage to other people's property and loss or damage consequent upon damage to other people's property resulting from the use of your car. The use of a caravan or trailer attached to your car is also covered.

We will pay up to a total of \$20,000,000 for all claims arising from the one event.

Any person using your car with your permission and who complies with the terms and conditions of this policy is covered.

Your employer or principal is covered if you are driving your car in the course of your employment or agency and the use of your car is private use or you are covered under this policy for business use.

We do not pay for loss or damage to property owned by you or any person ordinarily living with you.

Admission of liability

You must not make any admissions or settle any claims without our prior written consent.

Giving assistance – information, notices, negotiating, defending and settling claims

In this section "you" means you and, if you were not driving, the driver of your car.

You must give us the information and assistance we reasonably request in evaluating the cause, extent and value of any claim. This may include:

providing us with full details of the claim in writing,

providing contracts of sale, receipts or other evidence of ownership,



- providing written statements,
- providing other relevant documents,
- undergoing an interview or interviews about the circumstances of the claim,
- appearing in court and giving evidence.

The information you give must be honest, correct and complete.

You must assist us to recover any part of the claim from the person responsible for the accident or event, which results in a claim.

You must promptly deliver to us any relevant letters and notices that come into your possession. This includes promptly telling us if you become aware of any demands, court proceedings or offers of settlement.

We shall be entitled, but not obliged, to defend or represent you in any legal proceedings relating to an accident or event which may give rise to a claim against us and to control, settle and deal with those proceedings as we see fit.

We will pay the legal and other reasonable related costs of defending any claim made against you, provided we appoint the solicitors who will defend the claim and we have told you in writing that we will pay their costs.

You must assist us in all our endeavours to negotiate, defend or settle any claim made under this policy and to exercise for our benefit your legal right of recovery against any other party.

If you fail to assist us, or do not abide by any of these terms, we may reduce or refuse to pay your claim or be entitled to recover from you any monies paid under the claim.

The AAMI Consumer Appeals Service

What to do if you don't agree with our decision

Here is how the AAMI consumer appeals service helps you if you are dissatisfied with the results of your dealings with AAMI.

1. Who do you talk to?

If you are unhappy with anything we have told you or done for you, please tell us. You can phone us on 13 22 44 or call in to an AAMI branch. Most times we will be able to sort the matter out to your satisfaction.

2. The AAMI Customer Ombudsman

However, if you are not satisfied with our response, you can ring, write to or email the AAMI Customer Ombudsman with the details. The AAMI Customer Ombudsman will respond to you within five working days of receiving your letter or email.

3. Appealing to the independent dispute resolution scheme

If you disagree with the AAMI Customer Ombudsman's decision, you can appeal to the Financial Ombudsman Service. We will tell you how to do this.

The Financial Ombudsman Service is an independent industry dispute resolution scheme. You can contact the Service on 1300 780 808 (local call cost) or by email to info@fos.org.au. You can also visit the FOS website at www.fos.org.au.

There is no charge for this service.

4. Are any decisions binding on you?

You do not have to accept any decision AAMI or the FOS makes. You always have the option of seeking remedies elsewhere.

Any decision the AAMI Customer Ombudsman makes or the FOS makes is binding on AAMI, provided you also accept the decision.

How to contact AAMI

Telephone: Call 13 22 44 (24 hours a day, seven days a week).

How to contact AAMI Consumer Appeals

Telephone: 1300 130 794 (local call cost)
9am to 5pm EST Monday to Friday.

Fax: (03) 9529 1214.

Write to: The AAMI Customer Ombudsman, AAMI Limited,
PO Box 14180, Melbourne City Mail Centre, Victoria 8001.

Email: consumerappeals@aami.com.au

How to contact the Financial Ombudsman Service

Telephone: 1300 780 808 (local call cost).

Email: info@fos.org.au



We're here to help you
24 hours a day
7 days a week

13 22 44

aami.com.au

Customer Comment Line: 1300 360 361
Australian Associated Motor Insurers Limited
AFS Licence Number 238173
ABN 92 004 791 744 ©AAMI®

Cover printed on 100% recycled paper
to ISO 14001 standards



CONSUMER

AAMI uses
Greenhouse Friendly™
ENVI Coated Gloss Paper

ENVI Coated Gloss Paper is an Australian Government
certified Greenhouse Friendly™ Product

AAMI

