

Home Contents 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 AAMI.

This SPDS supplements the AAMI Home Contents Insurance Product Disclosure Statement (PDS), prepared on 1 October 2013, and must be read together with any other SPDS we may give you for this PDS.

The purpose of this SPDS is to:

- introduce an optional cover introduction and a new optional cover 'Accidental damage at the home';
- update the 'What is an excess?' section;
- update the definition of 'Insured event';
- update the information in the PDS for seeking an external review of a complaint due to a change to the relevant external dispute complaint scheme; and
- update the contact details on the back cover of the PDS.

Changes to the PDS

1. On page 33 of the PDS immediately before the title 'Extra cover for portable valuables' insert the following new heading and words:

Optional Covers

You can ask us to add one or more of the following options to your policy for an additional premium. The optional covers you have will be shown on your certificate of insurance.

There are some things we do not cover and this is shown in the 'We do not cover section of the following tables in this section (Optional covers) and in the 'What we do not cover – general exclusions' on pages 40 to 45. All of the conditions of this policy apply to the optional covers unless the cover says otherwise.

2. On page 35 of the PDS immediately after the words 'Refer to the PED Guide for further information' insert the following new heading and words for the new optional cover:

Accidental damage at the home

What we cover

When you have home contents insurance, we cover your contents for accidental loss (e.g. accidentally dropping a ring down the drain and you are unable to retrieve it) and accidental damage (e.g. accidentally breaking or damaging something) at the insured address during the period of insurance.

Accidental loss or damage is loss or damage from an incident you did not intend or expect to happen (e.g. damage caused to a painting that accidentally fell off a wall).

Note: If we accept a claim under this optional cover, the incident giving rise to the claim will be an insured event. This means that you may be entitled to additional features (see pages 29 to 30).

We do not cover

- loss or damage that is covered under an insured event listed on pages 20 to 28 as you can make a claim for loss or damage under the applicable insured event;
- loss or damage that is covered under an additional cover listed on pages 30 to 32;
- loss or damage without you being able to reasonably establish an incident covered by your policy took place at a certain time and date;
- loss or damage caused by flood if you do not have cover for insured event 'Flood'.
- loss or damage:
 - to swimming pool liners or covers;
 - arising from scorching or burning by cigars, cigarettes or pipes;
 - arising from pollution or vapour from a home heater or cooking appliance;
 - caused by wear, tear, rust, fading, rising damp, mould, mildew, corrosion and rot;
 - arising from insects, vermin or rodents;
 - caused by physical assaults or death;
 - caused by tenants or boarders;
 - arising from failure or shutdown of the electricity supply from any cause or spoilage of food resulting from this;
 - arising from leaks from agricultural pipes;
 - arising from animals or birds pecking, biting, clawing, scratching, tearing or chewing your contents, or damage caused by their urine or excrement;
 - arising from building, renovating or altering your home (except for spilling paint);
- wear and tear, or loss or damage, by the escape of liquid occurring as a result of a gradual process of leaking, splashing, dripping or overflowing over a period of time;
- cash, smart cards, phone cards, documents able to be cashed or traded, vouchers, money orders or stamps (not in a set or collection);
- sporting, recreational and leisure goods and equipment whilst in use, **but we will cover** bicycles whilst in use, **but not** whilst being used for racing or pace-making.

3. On page 51 of the PDS under the heading 'What is an excess?' Remove the sentence 'An excess is the amount you have to pay for each incident when you make a claim.' and replace with 'An excess is the amount you have to pay for each incident when you make a claim, **unless** stated otherwise in this policy'.
4. On page 62 of the PDS remove the definition of 'Insured event' and replace with the following:

Insured event

means:

- the insured events on pages 20 to 28; and
- if you have the optional cover 'Accidental damage at the home', it also means accidental loss or damage to your contents that is not excluded by your policy.

In addition, an insured event is always a single event, accident or occurrence which you did not intend or expect to happen.

5. On page 65 of the PDS under the section titled 'How we will deal with a complaint', replace the wording under the heading, 'Step 3. Seek review by an external service', with the following new wording:

Step 3. Seek review by an external service.

We expect our procedures will deal fairly and promptly with your complaint. However, if you remain dissatisfied, you may be able to access the services of the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. Any determination AFCA makes is binding on us, provided you also accept the decision. You do not have to accept their decision and you have the option of seeking remedies elsewhere.

AFCA has authority to hear certain complaints. Contact AFCA to confirm if they can assist you.

You can contact AFCA:

By phone: 1800 931 678

By email: info@afca.org.au

In writing: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

By visiting: www.afca.org.au

6. On the back cover of the PDS insert 'Contact us about a claim' before the words '24 hours a day'.

Questions?

If you have questions about this change, please visit our website aami.com.au or contact us on 13 22 44.

