

Home Building 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 Home Building 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:

- provide clarity on how we settle building claims;
- include an explanation of monetary settlements and the meaning of cost to us;
- include a definition for 'reasonable cost'.

Changes to the PDS

1. On page 45 of the PDS in the section titled 'How we settle building claims' immediately above the paragraph 'Unless we tell you otherwise, we will deduct any amounts you owe us from any amount we owe you.' insert the following new paragraph:

If we rebuild or repair, we choose the builder or supplier.

2. On page 45 of the PDS immediately above the heading 'We will not:' insert the following:

Monetary settlements and the meaning of cost to us

If we decide to pay you what it would cost us to rebuild or repair (or if we give you a voucher, store credit or stored value card for what it would cost us), we will pay you (or give you a voucher, store credit or stored value card for) the amount that we determine to be the reasonable cost of repairing or rebuilding. The amount we determine to be the reasonable cost will be the lesser amount of any quotes obtained by us and/or by you for the rebuild or repair. Discounts may be available to us if we were to rebuild or repair.

3. On page 54 of the PDS in the section titled 'What do we mean by that?' immediately below the meaning of 'Policy' insert the following:

Reasonable cost

means the amount we determine. Reasonable cost is the lesser amount of any quotes obtained by us and/or by you. Discounts may be available to us through our suppliers.

Questions?

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