

SHANNONS MOTOR INSURANCE PRODUCT DISCLOSURE STATEMENT

UPDATE PURSUANT TO ASIC CORPORATIONS INSTRUMENT 2016/1055

PDS UPDATE

Below is a non-materially adverse update to the Shannons Motor Insurance Product Disclosure Statement prepared 21 March 2011 (**the PDS**). These changes are effective for Shannons Motor Insurance policies, subject to the PDS, and in force at **15 May 2020** for claims made on or after **15 May 2020**. A policyholder can elect not to receive the benefit of these changes, if the policyholder so chooses.

THE CHANGES ARE TO THE HIRE CAR FOLLOWING THEFT ADDITIONAL BENEFIT

'Hire car following theft' additional benefit on page 26 & 27 of the PDS, previously amended to be called 'Hire car following theft and not at fault incident' is further amended to be called 'Hire car following theft'. All references in the PDS previously amended to be called "Hire car following theft and not at fault incident" are amended to 'Hire car following theft'. The 'Hire car following theft' additional benefit is updated as follows:

HIRE CAR FOLLOWING THEFT

Comes with: Comprehensive

Applies to: Motor Vehicles & Motorcycles

- ✓ If your motor vehicle or motorcycle is stolen and we agree you have a claim under this policy, you may choose whether 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); or
 - reimburse you the costs incurred for a hire car;for up to 14 days or until your vehicle is recovered and returned to you in a roadworthy condition, whichever is the earliest.

INSURANCE FOR YOUR HIRE CAR

If we arrange 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 'vehicle' 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.

- ✗ We will not pay:
 - any deposit you are required to pay for the hire car,
 - any running costs of the hire car, or
 - if the vehicle usage on your policy certificate is Laid Up, Club Plate Use, Limited Use or Extreme Limited Use for the vehicle that was stolen.
- ✗ We will not pay more than \$1,500 in total under this benefit.
- ✗ We do not provide 'Insurance for your hire car' under this policy if the hire car is not arranged by us.

This update takes effect from 15 May 2020.

Prepared date 17/04/20

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