

# Mortgage Protection Insurance

Product Disclosure Statement and Policy



Insurance underwritten by:  
QBE Insurance (Australia) Ltd.  
ABN 78 003 191 035, AFS Licence 239545  
of 82 Pitt Street, Sydney - Disability & Involuntary Unemployment  
and  
OnePath Life Limited (OnePath Life)  
ABN 33 009 657 176 AFS Licence 238341  
of 347 Kent Street Sydney - Life and Trauma

QM853



## About this booklet

This booklet contains 2 separate sections: Part A and Part B.

### Part A – Product Disclosure Statement (PDS)

Part A of this booklet contains a Product Disclosure Statement (PDS). The PDS is designed to assist you to make informed choices about your insurance needs. It gives a summary of the significant benefits and risks associated with this product (you should refer to Part B for full details).

The PDS also contains information about costs, our dispute resolution system, your cooling off rights and other relevant information, including other rights, terms, conditions and obligations attaching to this product. Please read Parts A and B of this booklet carefully.

### Part B – Policy

Part B of this booklet contains all the terms, conditions and exclusions relating to the Policy. It is Part B which forms part of your legal contract with us.

If we issue you with an insurance Policy, you will be given a Policy Schedule. The Policy Schedule sets out the specific terms applicable to your cover and should be read together with the Policy.

The Policy and the Policy Schedule form your legal contract with us so please keep them in a safe place for future reference.

If you require further information about this product, please contact QBE on 1300 361 823.

In the PDS and Policy,

**We, Our, Us** means:

- QBE Insurance (Australia) Limited (QBE), ABN 78 003 191 035, AFS Licence No. 239545 of 82 Pitt Street, Sydney – Insurer of Disability and Involuntary Unemployment covers.
- OnePath Life Limited (OnePath Life), ABN 33 009 657 176, AFS Licence No. 238341 – Insurer of Life and Trauma covers.

**You, Your** means:

- the person(s), companies or firms named on the current Policy Schedule as the 'Insured'.

Date of preparation: 15 November 2010

Date effective: 15 November 2010

QM853-1110

## Contents

About this booklet .....	1
Part A – Product Disclosure Statement (PDS) .....	1
Part B – Policy .....	1
About QBE Australia.....	4
About OnePath .....	4
OnePath Life .....	4

### **Part A – Product Disclosure Statement (PDS) for Mortgage Protection Insurance**

Insurers.....	5
Important information about mortgage protection insurance.....	5
What you should read.....	6
Eligibility criteria.....	6
Applying for cover.....	7
Significant benefits .....	7
This product may not match your expectations.....	8
The policy does not cover certain things .....	8
Summary of limits to the cover provided .....	9
What you are not covered for .....	9
Our contact details.....	10
The cost of this insurance policy .....	10
Duty of Disclosure .....	11
Privacy Statement .....	12
The General Insurance Code of Practice .....	13
How to make a claim .....	13
Dispute resolution.....	14
Taxation implications .....	14
Cancelling your policy.....	14
Cooling-off information .....	14
Financial Claims Scheme .....	14

### **Part B – Policy for Mortgage Protection Insurance**

Insurers.....	15
Our agreement with you .....	15
Your policy .....	15
Paying your premium.....	16
Overdue Premium .....	16
Words with special meanings .....	16
Types of cover .....	19
What we will Pay .....	19

<b>Section 1: Life Cover</b> .....	19
Benefit payable.....	19
Joint Cover .....	20

<b>Section 2: Trauma Cover</b> .....	20
Benefit payable.....	20
Joint Cover .....	20

<b>Section 3: Disability Cover</b> .....	21
Benefit Payable .....	21
Joint Cover .....	21

<b>Section 4: Involuntary Unemployment Cover</b> .....	22
Benefit Payable .....	22
Joint Cover .....	22

<b>When you are not covered</b> .....	23
---------------------------------------	----

<b>General Conditions</b> .....	24
Cancelling your policy.....	24
How you may cancel this policy.....	24
How we may cancel this policy.....	24
Refund of premium.....	25
Notices.....	25
Changes to information previously advised.....	25

<b>Claims</b> .....	25
What you must do.....	25
Notification of an incident .....	25
How to make a claim .....	25
You must assist us.....	26
What you must NOT do .....	26
False or misleading information.....	26
What we do.....	26
What can affect a claim .....	26
How claim administration and legal proceedings are undertaken .....	26
Continuity of cover (replacement policies).....	26
When the policy ends .....	27

## About QBE Australia

QBE Insurance (Australia) Limited is a member of the QBE Insurance Group (ASX: QBE). QBE Insurance Group is Australia's largest international general insurance and reinsurance group, and one of the top 25 insurers and reinsurers worldwide. The company has been operating in Australia since 1886 and continues to provide industry-leading insurance solutions that are focused on the needs of intermediaries and their clients.

QBE is a household name in Australian insurance, backed by sizeable assets, and well known as a strong and financially secure organisation.

## About OnePath

### Helping you shape and protect your future

OnePath is one of Australia's leading providers of wealth, insurance and advice solutions. We have been helping Australians grow and protect their wealth for over 130 years, previously as Mercantile Mutual and more recently as ING Australia.

OnePath has a comprehensive range of wealth and insurance products available through financial advisers or direct to customers making it easier for you to find the solution that best suits your needs.

At OnePath we value and appreciate our customers, our staff and the communities we operate in. We are committed to acting with the highest standards and to meeting our corporate responsibilities. We also encourage and support staff involvement in volunteering and charitable activities supporting the wider community.

OnePath actively participates in forums looking at regulatory and industry change. We also regularly review and conduct research to ensure we are attuned to changing customer and market needs.

### OnePath Life

Australia and New Zealand Banking Group Limited (ANZ) is an authorised deposit taking institution (Bank) under the *Banking Act 1959* (Cth). OnePath Life is owned by ANZ – it is a co-issuer of the product but it is not a Bank. This product is not a deposit or other liability of ANZ or its related group companies and none of them stands behind or guarantees the issuer.

## Part A – Product Disclosure Statement (PDS) for Mortgage Protection Insurance

### Insurers

The policy is underwritten by:

- QBE Insurance (Australia) Limited (QBE), ABN 78 003 191 035, AFSL 239545 of 82 Pitt Street, Sydney – Insurer of Disability and Involuntary Unemployment covers.
- OnePath Life Limited (OnePath Life), ABN 33 009 657 176, AFSL 238341 of 347 Kent Street, Sydney – Insurer of Life and Trauma covers.

Each insurer only accepts liability in respect to the insurance cover of which they are the insurer.

The PDS is issued by QBE Insurance (Australia) Limited on behalf of the Insurers. QBE and OnePath Life take full responsibility for the contents of the whole of this PDS.

The information in this PDS may change from time to time. Updated information will be available free of charge from the QBE and OnePath websites at [www.qbe.com.au](http://www.qbe.com.au) and [www.onepath.com.au/important-information](http://www.onepath.com.au/important-information) or by calling QBE on 1300 361 823 and OnePath on 1800 500 229. We will issue a supplementary or replacement PDS if there is a materially adverse change to or omission from information in this PDS.

It is very important that you read our Mortgage Protection Insurance policy carefully and any other documents we give you to make sure that you are satisfied with this insurance.

### Important information about mortgage protection insurance

Mortgage Protection Insurance is a Consumer Credit Insurance (CCI) policy designed to meet your loan repayments in the event of Disability or Involuntary Unemployment. The policy will also pay you the amount selected for a Trauma Event occurring to you or to pay the Outstanding Balance of your loan, less any rebate of charges and arrears in monthly repayments, in the event of your death.

You should read the Product Disclosure Statement (PDS) and consider whether this product is right for you. The information provided is of a general nature and does not take into account your personal needs and financial circumstances. You should consider the appropriateness of the advice, having regard to your objectives, financial situation and needs.

This insurance is not compulsory and a credit provider cannot insist upon you taking out a CCI policy as a condition of a loan. You should also be aware that you can effect CCI with the insurer of your choice.

## What you should read

To understand the features, benefits and risks of this insurance and to determine if it is appropriate for you, it is important that you read:

- Part B – Policy; in particular:
  - definitions of what we mean by certain words;
  - when you are not covered;
  - what you and we need to do in relation to claims;
  - your and our cancellation rights;
  - when your policy ends;
- the Policy Schedule (refer to the ‘Words with special meanings’) when it is issued to you; and
- any other documents we may give you which vary our standard terms of cover set out in this document.

These documents should be read carefully together. It is important that they are kept in a safe place.

## Eligibility criteria

For any of the covers provided by this policy, you must:

- be aged between 18 – 61 years of age at the Commencement Date;
- be in good health and not be suffering from any chronic or serious illness or injury that was previously known to you; and
- be a permanent resident of Australia.

If you are applying for Disability cover, you must:

- be employed on a permanent, casual, temporary, contract or self employed basis.

If you are applying for Involuntary Unemployment cover, you must:

- be employed in Permanent Gainful Employment when you apply for the loan (you are working on a permanent and continuous basis for wages or income for a minimum of twenty (20) hours every week and you are not in employment of a seasonal, casual, temporary, contract or self employed nature); and
- you do not have any prior knowledge your Permanent Gainful Employment is to be terminated or decreased.

You will not be able to apply for Involuntary Unemployment cover without also applying for Disability cover.

## Applying for cover

You may apply for the insurance at the time of applying for your loan. Assuming that you meet all eligibility criteria, you will be issued with a Policy Schedule confirming your cover including the following information:

- Your name and address;
- The amount of your loan repayment that is covered;
- Which cover you have selected;
- Premium including taxes and charges.

## Significant benefits and risks

The following is a summary only and does not form part of the terms of your insurance. We give examples of some of the significant benefits and risks but you need to read Part B of this document which sets out the terms and conditions of this insurance to make sure it matches your expectations.

This insurance is designed to provide you with mortgage protection cover for the insured events selected as shown on your Policy Schedule, that occur during the period of insurance. Please read the full details in Part B. You may select combinations of cover for Life, Trauma, Disability and Involuntary Unemployment.

## Significant benefits

Cover	Benefit	Main Conditions
Life Cover	In the event of your death, pays: <ul style="list-style-type: none"> <li>• the original balance of your mortgage account; or</li> <li>• the amount of cover selected by you, as shown on the Policy Schedule.</li> </ul>	Cover available up to a maximum of \$500,000.
Trauma Cover	Pays you the amount of cover selected by you in the event of positive diagnosis of any of the diseases or disabilities as shown in Part B.	Automatic cover of \$10,000. You may elect to increase cover in multiples of \$5,000 up to \$50,000.
Disability Cover	We will pay to your Financial Institution for each day of Disability 1/30th of either: <ul style="list-style-type: none"> <li>(a) the minimum monthly repayment required shown on the loan contract when it was first entered into; or</li> <li>(b) the minimum monthly repayment amount required under the loan contract on the date your Disability first occurred;</li> </ul> whichever is the lesser.  If you selected an amount as a monthly benefit, then we will pay that amount selected by you and shown on the Policy Schedule.	Maximum payable regardless of the number of claims made during the period of insurance is \$200,000.

Cover	Benefit	Main Conditions
Involuntary Unemployment Cover	<p>We will pay to your Financial Institution for each day of Involuntary Unemployment 1/30th of either:</p> <p>(a) the minimum monthly repayment required shown on the loan contract when it was first entered into; or</p> <p>(b) the minimum monthly repayment amount required under the loan contract on the date your Involuntary Unemployment first occurred;</p> <p>whichever is the lesser.</p> <p>If you selected an amount as a monthly benefit, then we will pay that amount selected by you and shown on the Policy Schedule.</p>	<p>Maximum payable regardless of the number of claims made during the period of insurance is \$15,000.</p>

## Significant risks

### This product may not match your expectations

This product may not match your expectations (for example, because an exclusion applies). You should read the PDS (Part A of this booklet) and the Policy (Part B of this booklet) carefully. Please ask your Financial Services Provider if you are unsure about any aspect of this product.

### The policy does not cover certain things

Claims may be refused in certain circumstances. Please refer to Part B which follows this PDS for full details of the terms and conditions of cover and exclusions.

These are certain events that are not covered by this insurance. Please read the Mortgage Protection Insurance PDS & Policy which follows this PDS for full details of all relevant policy exclusions.

## Summary of limits to the cover provided

Cover	Risk
All Covers	<ul style="list-style-type: none"> <li>The maximum amount payable (regardless of the number or type of claims made during the period of insurance) under all covers of this policy is \$500,000.</li> <li>This insurance is limited to the period of insurance shown in your Policy Schedule.</li> <li>There is no surrender value on the policy.</li> <li>You need to be aware that there are limits to each policy benefit. The extent of these limits are set out in Part B. If you do not adequately insure yourself you may have to bear the uninsured portion of any loss yourself. If you are unsure whether you are insured for the correct amount, you should seek professional advice.</li> <li>Cover is subject to exclusions detailed in Part B.</li> </ul>
Life Cover	<ul style="list-style-type: none"> <li>Cover available up to \$500,000 during the period of insurance.</li> <li>Cover starts from the Commencement Date.</li> <li>If you have joint cover, the maximum payable under this benefit is \$500,000.</li> </ul>
Trauma Cover	<ul style="list-style-type: none"> <li>You are able to select up to \$50,000 in cover depending on your loan amount.</li> <li>If you have joint cover, the maximum trauma cover available is \$100,000.</li> <li>There is no cover for trauma occurring within 90 days of the Commencement Date.</li> <li>Only one claim allowed during period of insurance.</li> <li>This cover must be taken in conjunction with Life Cover.</li> </ul>
Disability Cover	<ul style="list-style-type: none"> <li>Cover available up to \$200,000 during the period of insurance.</li> <li>There is no cover for Illness occurring within 30 days of the Commencement Date.</li> </ul>
Involuntary Unemployment Cover	<ul style="list-style-type: none"> <li>Cover available up to \$15,000 during the period of insurance.</li> <li>Benefit payable for maximum of 120 days for any one claim.</li> <li>There is no cover for Involuntary Unemployment occurring within 30 days of the Commencement Date.</li> <li>This cover must be taken in conjunction with Life Cover.</li> </ul>

## What you are not covered for

There are certain times when this insurance may not provide cover. See the "Events we will not cover" table for full details.

We may also refuse to pay or may reduce the amount we pay under a claim:

- if you do not comply with the policy conditions (Please read Part B of this document for details of the conditions to make sure you understand your obligations);
- if you do not comply with your Duty of Disclosure; or
- if you make a fraudulent claim.



## Our contact details

If you have any questions about this insurance policy, please discuss with your financial services provider or contact us at:  
QBE Insurance (Australia) Limited  
PO Box 219  
PARRAMATTA NSW 2124  
Email: [insurancecentre@qbe.com](mailto:insurancecentre@qbe.com)  
Phone: 1300 133 024

## The cost of this insurance policy

The total premium is the amount we charge you for this insurance policy. It includes the amount which we have calculated will cover the risk, and any taxes and government charges. The premium and any taxes and government charges will be shown on your Policy Schedule.

When calculating your premium we take the following rating factors into account. These factors, and the degree to which they affect your premium, will depend upon the information you provide to us.

Factors	Impact
The monthly mortgage repayment	premium increases as the amount borrowed increases.
The amount borrowed	your premium will be calculated on the loan size and will increase as the amount borrowed increases.
The period of the loan	the premium will increase as the period of cover increases.
The type of cover that you have selected	the premium is calculated on the cover type combination that you select.
Your age	as your age increases so may the premium amount.
Details relating to any joint borrower	each person listed on the policy is priced according to the details provided by you, however, you do receive a discount for a joint policy.

Commission of 20% of the premium is paid to the financial services provider who sold you this policy. It is not an additional charge to you and it is included in the premium payable.

You may choose to pay the premium for this cover up front by cash, cheque or credit card, or it can be included in your financing arrangement for your mortgage. If you include the premium in your financing arrangement, the premium will be included in the total cost payable by you plus interest for the full length of the finance term - irrespective of when this insurance cover commences or the term of the cover being shorter than the financing term.

## Duty of Disclosure

Under the Insurance Contracts Act 1984 (the Act) you have a Duty of Disclosure. The Act requires that before a Policy is entered into, you must give us certain information we need to decide whether to insure you and anyone else to be insured under the Policy, and on what terms.

### What you must tell us

When answering our questions, you must be honest and you have a duty under law to tell us anything known to you, and which a reasonable person in the circumstances, would include in answer to the question. We will use the answers in deciding whether to insure you and anyone else to be insured under the Policy, and on what terms.

### Who needs to tell us

It is important that you understand you are answering our questions in this way for yourself and anyone else whom you want to be covered by the policy.

### If you do not tell us

If you do not answer our questions in this way, we may reduce or refuse to pay a claim, or cancel the policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the policy as never having worked.

### New business

Where you are entering into this policy for the first time (that is, it is new business and is not being renewed, varied, extended or reinstated) you must tell us everything you know and that a reasonable person in the circumstances could be expected to tell us, in answer to the specific questions we ask.

When answering our questions you must be honest.

## Privacy Statement

### QBE Insurance (Australia) Limited

The Privacy Act 1988(Cth) (the Act) regulates the way organisations such as QBE can collect, use, keep secure and disclose personal information. We are committed to safeguarding your privacy and the confidentiality of your personal information.

QBE has developed a privacy policy which explains what sort of personal information we hold about you and what we do with it. The QBE Privacy Policy may be downloaded from [www.qbe.com](http://www.qbe.com) or provided to you on request by calling us on 1300 133 024.

For further information about our Privacy policy or to correct your personal information please contact:

The Compliance Manager  
QBE Insurance (Australia) Limited  
GPO Box 82 SYDNEY NSW 2001  
Email: [compliance.manager@qbe.com](mailto:compliance.manager@qbe.com)

### OnePath Life

In this section 'we', 'us' and 'our' refers to OnePath Life and other members of the ANZ Group. We are committed to ensuring the confidentiality, security and privacy of your personal information.

We collect your personal information to provide you with the products and services you request. Without your personal information, we may not be able to process your application or provide you with the products or services you require.

In order to manage and administer the products and services requested by you, we may need to disclose your personal information to certain third parties, including:

- other members within the ANZ Group, to the extent necessary to service our relationship with you and carry on business as a group;
- organisations performing administration or compliance functions in relation to the products and services;
- organisations maintaining our information technology systems
- authorised financial institutions;
- organisations providing services such as mailing, printing or data verification;
- a person who acts on your behalf (such as your financial adviser or your agent);
- the policy owner (where you are a life insured who is not the policy owner);
- our solicitors, valuers and insurers;
- lenders who provide lending facilities to you.

For life risk products we collect health information with your consent. Your health information will only be disclosed to service providers or organisations providing medical or other services for the purpose of underwriting, assessing the application or assessing any claim.

We may also disclose your personal information in circumstances where we are required to do so by law.

We may send you information about our financial products and services from time to time. You may elect not to receive such information at any time by contacting Customer Services on 1800 500 229.

You may access the personal information OnePath hold about you, subject to permitted exceptions and subject to OnePath still holding that information, by contacting OnePath at:

Privacy Officer - OnePath  
GPO Box 75  
Sydney NSW 2001  
Phone (02) 9234 8111  
Fax (02) 9234 8095  
Email [privacy@onepathlife.com.au](mailto:privacy@onepathlife.com.au)

If any of your personal information is incorrect or has changed, please let OnePath know by contacting Customer Services.

More information can be found in OnePath Privacy Policy which can be obtained from its website at [www.onepath.com.au](http://www.onepath.com.au).

### The General Insurance Code of Practice

QBE Insurance (Australia) Limited is a signatory to the General Insurance Code of Practice.

The Code aims to:

- promote more informed relations between insurers and their customers;
- improve consumer confidence in the general insurance industry;
- provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- commit insurers and the professionals they rely upon to higher standards of customer service.

A copy of the Code is available on request by calling us on 1300 133 024.

### How to make a claim

Please contact QBE on 1300 133 024 or your financial services provider as soon as possible, to make a claim.

Full details of what you must do for us to consider your claim are provided in the 'Claims' section in Part B of this booklet.



## Dispute resolution

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw to our attention to.

We have a Complaints and Dispute Resolution Procedure which undertakes to provide an answer to your complaint within 15 working days.

If you would like to make a complaint or access our internal dispute resolution service please contact your nearest QBE office and ask to speak to a dispute resolution specialist.

If you are not happy with our answer, or we have taken more than 15 working days to respond, you may take your complaint to the Financial Ombudsman Service (FOS), an ASIC approved external dispute resolution body.

FOS resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to you. QBE and OnePath Life is bound by the determination of FOS but the determination is not binding on you.

We will provide the contact telephone number and address of the FOS office upon request.

## Taxation implications

With this insurance or your loan, there may be taxation implications affecting you, depending upon your own circumstances. We recommend that you seek professional advice.

In the event of a claim we will seek information from you in regard to any Input Tax Credit entitlement.

## Cancelling your policy

The ways by which your policy may be cancelled are set out in Part B under General Conditions.

## Cooling-off information

If you want to cancel your insurance after your decision to buy it, you may cancel it and receive a full refund. To do this we must receive your request either in writing or via email ([insurancecentre@qbe.com](mailto:insurancecentre@qbe.com)) within 21 days from the date the policy commenced.

This cooling-off right does not apply if you have made or are entitled to make a claim. Even after the cooling-off period ends, you still have cancellation rights.

## Financial Claims Scheme

This policy is a protected policy under the Financial Claims Scheme (FCS), which protects certain insureds and claimants in the event of an insurer becoming insolvent. In the unlikely event of QBE becoming insolvent you may be entitled to access the FCS, provided you meet the eligibility criteria.

More information may be obtained from APRA - [www.apra.gov.au](http://www.apra.gov.au) or 1300 13 10 60.

## Part B – Policy for Mortgage Protection Insurance

### Insurers

The policy is underwritten by:

- QBE Insurance (Australia) Limited (QBE), ABN 78 003 191 035, AFSL 239545 of 82 Pitt Street, Sydney – Insurer of Disability and Involuntary Unemployment covers.
- OnePath Life Limited (OnePath Life), ABN 33 009 657 176, AFSL 238341 of 347 Kent Street, Sydney – Insurer of Life and Trauma covers.

Each insurer only accepts liability in respect to the insurance cover of which they are the insurer.

It is very important that you read our Mortgage Protection Insurance policy carefully and make sure that you are satisfied with this insurance.

### Our agreement with you

This policy is a legal contract between you and us. You pay us the premium, and we provide you with the cover you have chosen as set out in the policy, occurring during the period of insurance shown on your Policy Schedule or any renewal period.

The exclusions in the section(s) headed 'When you are not covered' and conditions in the section headed 'General Conditions' apply to all types of cover.

### Your policy

Your Mortgage Protection Insurance policy consists of Part B of this booklet and the Policy Schedule we give you.

Please read your Policy carefully, and satisfy yourself that it provides the cover you require.

If you want more information about any part of your Policy, please ask us, or your financial services provider.

You should keep your PDS & Policy and Policy Schedule together in a safe and convenient place for future reference.

## Paying your premium

You may choose to pay the premium for this cover:

- up front by cash, cheque or credit card;
- by monthly instalments from your account; or
- it can be included in your financing arrangement for your mortgage.

If you include the premium in your financing arrangement, the premium will be included in the total cost payable by you plus interest for the full length of the finance term - irrespective of when this insurance cover commences or the term of the cover being shorter than the financing term.

You must pay your premium by the due date if it has not been included in your financing arrangements. If we do not receive your premium by the due date or your payment is dishonoured then this policy will not operate and there will be no cover.

## Overdue Premium

### (if you pay your premium by monthly instalments)

If you pay your premium by instalments and your first or any subsequent instalments are dishonoured, this policy will not operate and there will be no cover.

If any instalment remains unpaid for:

- 14 days or more we may refuse to pay any claim; and
- 1 month or more we may cancel this policy.

## Words with special meanings

Some key words and terms used in this policy have a special meaning.

If words and terms are only used in just one Section of the policy, we will describe their special meaning in that Section.

Wherever the following words or terms are used in the policy, they mean what is set out below:

Word or Term	Meaning
Commencement date	the date upon which the loan amount is first disbursed to you.
Disability	an illness or injury that has been certified by a medical practitioner, and which prevents you from performing or engaging in an occupation.
Drugs	any illegal substance or non-prescribed drug which, when used, impairs the person's faculties, or a prescribed drug used contrary to medical or manufacturer's advice.
Financial institution	the financier with whom you have obtained the finance and is stated in your loan contract.
Financial services provider	the person who sold you this policy.
Gainful occupation	any occupation for which you receive a financial reward.

Word or Term	Meaning
Incident	an event, neither expected or intended from your standpoint, which results in a claim on this policy.
Illness	means sickness, illness or disease which manifests itself during the period of insurance.
Injury	bodily injury that is unintentionally caused solely and directly by external and visible means as a result of an accident occurring during the period of insurance.
Insured	the person(s) named in the policy schedule as being covered by the policy.
Involuntary unemployment	an inability to continue permanent gainful employment as a direct result of involuntary dismissal or retrenchment.
Loan contract	the loan contract between you and your financial institution.
Medical consultation	any activity undertaken for the purpose of detection, treatment or management of a medical condition including but not limited to the application of prescribed drugs or therapy whether conventional or alternative.
Medical practitioner	a registered and qualified medical practitioner in Australia or in another country, as approved by us, who is not you or your business partner or another immediate family member.
Outstanding balance	the amount outstanding in relation to the loan contract at the date of the incident. This amount excludes any arrears in loan repayments.
Period of insurance	the period shown in the policy schedule.
Permanent gainful employment	you are working on a permanent and continuous basis for wages or income for a minimum of twenty (20) hours every week and you are not in an employment of a seasonal, casual, temporary, contract or self employed nature.
Permanent resident of Australia	an Australian or New Zealand citizen or holder of an Australian Permanent Residency Visa.
Policy	your insurance contract which consists of this PDS & Policy and the policy schedule.
Policy schedule	the schedule of insurance, or any future renewal schedule, or endorsement schedule.
Pre-existing condition	is an Injury, Illness, condition or related symptom that you were aware of, or a reasonable person in your position should be aware of, or for which you had a Medical consultation.
Sum insured	the amount that you have insured your loan repayments for as shown on the policy schedule. We will pay no more than this amount.
Terrorism	any act of any person acting on their own or in connection with an organisation or foreign government, which can involve the use of, or threat of, force or violence, where the purpose, by its nature or context, is to put the public or a section of the public in fear, to resist or influence a government or, to further an ideological, religious, ethnic or similar aim.
Trauma event	the diagnosis and certification of one of the following trauma events by a medical practitioner or specialist medical practitioner and agreed by us:  <b>Cancer:</b> The presence of one or more malignant tumours including leukaemia, lymphomas and Hodgkin's disease characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue.  The following cancers are not covered: <ul style="list-style-type: none"> <li>• melanomas of less than 1.5mm maximum Breslow thickness and which are also less than Clark Level 3 depth of invasion as determined by histological examination;</li> </ul>

Word or Term	Meaning
Trauma (continued)	<ul style="list-style-type: none"> <li>all hyperkeratoses or basal cell carcinomas of the skin;</li> <li>all squamous cell carcinomas of the skin unless there has been spread to other organs;</li> <li>Kaposi's sarcoma and other tumours associated with an HIV infection, AIDS or AIDS related complex low level prostatic cancers which are histologically described as TNM Classification T1 (or are of another equivalent or lesser classification);</li> <li>chronic lymphocytic leukaemia less than Rai Stage 1;</li> <li>tumours showing the malignant changes of carcinoma in situ* (including cervical dysplasia CIN- 1, CIN-2, and CIN-3), or which are histologically described as pre-malignant or which are classified as FIGO Stage 0, or which have a TNM classification of Tis. 'FIGO' refers to the staging method of the International Federation of Gynaecology and Obstetrics</li> <li>Carcinoma in situ is covered in the following circumstances where the procedures are performed specifically to arrest the spread of malignancy and are considered the appropriate and necessary treatment: <ul style="list-style-type: none"> <li>carcinoma in situ of the breast if it results directly in the removal of the entire breast;</li> <li>carcinoma in situ of the testicle if results directly in the removal of the testicle;</li> <li>carcinoma in situ of the prostate if results directly in the removal of the prostate or where characterised by a Gleason score of 7 or greater.</li> </ul> </li> </ul> <p><b>Chronic kidney failure:</b> End stage renal disease which requires permanent dialysis or renal transplantation.</p> <p><b>Coronary artery by-pass surgery:</b> The undergoing of coronary artery by-pass surgery that is considered necessary to treat coronary artery disease causing inadequate myocardial blood supply. Surgery does not include angioplasty, intra-arterial procedures or non-surgical techniques.</p> <p><b>Heart attack:</b> Death of a portion of heart muscle arising from inadequate blood supply to the relevant area. The basis for diagnosis shall be supported by the following clinical features being present and consistent with myocardial infarction (and not due to medical intervention):</p> <ul style="list-style-type: none"> <li>new electrocardiographic (ECG) changes; and</li> <li>diagnostic elevation of cardiac enzyme CK-MB or Troponin I greater than 2.0 µg/L or Troponin T greater than 0.6µg/L.</li> </ul> <p>If the above is inconclusive, then we will consider a claim based on conclusive evidence that a life insured has been diagnosed as having suffered a myocardial infarction, resulting in either one of the following:</p> <ul style="list-style-type: none"> <li>new pathological Q waves; or</li> <li>a permanent left ventricular ejection fraction of 50% or less, measured three or more months after the event.</li> </ul>

Word or Term	Meaning
Trauma (continued)	<ul style="list-style-type: none"> <li><b>Major organ transplant:</b> the medically necessary human to human organ transplant from a donor of one or more of the following complete organs: <ul style="list-style-type: none"> <li>kidney;</li> <li>heart;</li> <li>lung;</li> <li>liver;</li> <li>pancreas;</li> <li>small bowel; or</li> <li>the transplant of bone marrow.</li> </ul> </li> <li><b>Stroke:</b> A cerebrovascular accident or event producing a neurological deficit lasting more than 24 hours. There must be clear evidence: <ul style="list-style-type: none"> <li>of the onset of objective neurological deficit;</li> <li>on a CT, MRI or similar scan that a stroke has occurred; and</li> <li>of infarction of brain tissue, intracranial or subarachnoid haemorrhage or embolisation from an extracranial source.</li> </ul> </li> </ul> <p>Transient ischaemic attacks, cerebral events due to reversible neurological deficits, migraine, hypoxia or trauma, and vascular disease affecting the eye, optic nerve or vestibular functions are excluded.</p>
Usual occupation	the main occupation you are engaged in that is suitable to your experience, training and/or education for which you receive a financial reward.

## Types of cover

Section 1. Life Cover

Section 2. Trauma Cover

Section 3. Disability Cover

Section 4. Involuntary Unemployment Cover

## What we will Pay

The total benefit we will pay for the aggregate of the Life, Trauma, Disability and Involuntary Unemployment benefits, during the period of insurance is \$500,000.

### Section 1: Life Cover

This cover only applies in the event of your death during the period of insurance.

#### Benefit payable

A lump sum, being the total mortgage amount borrowed and approved, will be paid if death occurs after the date the mortgage is approved but prior to the Commencement Date subject to:

- meeting eligibility criteria; and
- the accidental death occurring within ninety (90) days of the mortgage approval date.

No premium will be due for this period of cover prior to the Commencement Date.

If you die during the period of insurance we will pay the original balance of your mortgage account, as shown on the schedule. Should this amount exceed your mortgage account balance at the time of your death, the difference will be paid to your Estate.

The maximum amount that we will pay under this Part is \$500,000.

### **Joint Cover**

If you have joint cover the maximum that we will pay is the amount stated under Benefit Payable for Life Cover, regardless of whether one or both of you claim at the same time.

## **Section 2: Trauma Cover**

This cover must be selected in conjunction with Life cover.

This cover applies in the event of the positive diagnosis and certification of one of the following Trauma Events occurring after ninety (90) days from the Commencement Date:

- Heart Attack
- Coronary Artery Surgery
- Stroke
- Major Organ Transplant
- Chronic Kidney failure
- Cancer

We will only cover these diseases and disabilities if they satisfy the conditions specified in the definition of Trauma Event.

We require the diagnosis and certification of a trauma condition:

- by a medical practitioner or specialist medical practitioner; and
- agreed to by our medical adviser.

A minimum trauma cover of \$10,000 automatically applies when you select this cover.

You may elect to increase the cover provided, in multiples of \$5,000 up to a maximum of \$50,000. However, if you have joint cover the maximum combined cover you may select cannot exceed \$100,000.

### **Benefit payable**

If you experience a positive diagnosis of a disease or disability included in the Trauma Cover part of this policy, we will pay you the level of Trauma Cover that you have selected as shown on the Policy Schedule.

You may only have one trauma claim during the period of insurance.

### **Joint Cover**

If you have joint cover the maximum that we will pay is the amount stated under Benefit Payable for Trauma Cover, regardless of whether one or both of you claim at the same time.

## **Section 3: Disability Cover**

This cover applies in the event that you are unable to perform:

- your usual occupation for up to twelve (12) months; and
- any gainful occupation after the first twelve (12) months of any claim; due to an Illness or Injury that has been certified by a medical practitioner.

There is no cover for Illness occurring within thirty (30) days of the Commencement Date.

### **Benefit Payable**

We will only pay a benefit under this cover for an incident that occurs during the period of insurance.

We will pay to your Financial Institution for each day of Disability 1/30th of either:

- (a) the minimum monthly repayment required shown on the loan contract when it was first entered into; or
- (b) the minimum monthly repayment amount required under the loan contract on the date your Disability first occurred;

whichever is the lesser.

If the minimum monthly repayments required have increased for a reason other than default, the benefit payable under (a) may be increased by up to 10%. This will not apply to the monthly benefit payable under (b).

If you selected an amount as a monthly benefit, then we will pay that amount selected by you and shown on the Policy Schedule.

For any claim we will only pay a benefit where you are unable to perform:

- your usual occupation for up to twelve (12) months; and
- any gainful occupation after the first twelve (12) months of any claim.

The maximum amount that we will pay under this benefit is \$200,000, regardless of the number of claims, during the period of insurance.

No benefit will be paid if you cannot provide us with evidence from a Medical Practitioner for the Illness or Injury you have sustained and that you are following the advice of the medical practitioner for your rehabilitation.

### **Joint Cover**

If you have joint cover the maximum that we will pay is the amount stated under Benefit Payable for Disability Cover, regardless of whether one or both of you claim at the same time.

## Section 4: Involuntary Unemployment Cover

This cover must be selected in conjunction with Disability cover.

This cover applies in the event that you are unable to continue your Permanent Gainful Employment as a direct result of your involuntary dismissal or retrenchment.

If you have made a claim for Involuntary Unemployment, you must resume Permanent Gainful Employment for at least another thirty (30) consecutive days before another claim can be made.

There is no cover for Involuntary Unemployment occurring within thirty (30) days from the Commencement Date.

### Benefit Payable

We will only pay a benefit under this cover for an incident that occurs during the period of insurance.

We will pay to your Financial Institution for each day of Involuntary Unemployment 1/30th of either:

- the minimum monthly repayment required shown on the loan contract when it was first entered into; or
- the minimum monthly repayment amount required under the loan contract on the date your Involuntary Unemployment first occurred;

whichever is the lesser.

If the minimum monthly repayments required have increased for a reason other than default, the benefit payable under (a) may be increased by up to 10%. This will not apply to the monthly benefit payable under (b).

If you selected an amount as a monthly benefit, then we will pay that amount selected by you and shown on the Policy Schedule.

For any claim, we will only pay you a benefit for a maximum of one hundred and twenty (120) days, or until you return to Permanent Gainful Employment, whichever occurs first.

The maximum amount that we will pay under this benefit is \$15,000, regardless of the number of claims, during the period of insurance.

For a benefit to be paid, you must:

- be already registered as unemployed with Centrelink, or the Department of Social Services or such other department as may be required by the Government;
- be able to provide evidence of your involuntary dismissal or retrenchment; and
- be actively seeking employment.

### Joint Cover

If you have joint cover the maximum that we will pay is the amount stated under Benefit Payable for Involuntary Unemployment Cover, regardless of whether one or both of you claim at the same time.

## When you are not covered

Events that we will not cover are listed in the table below and are marked by a “x”.

Event or Circumstance	Life	Trauma	Disability	Involuntary Unemployment
War or warlike activities (excluding peace time manoeuvres).	x	x	x	x
Acts of terrorism where such acts are directly or indirectly connected with biological, chemical, or nuclear weapons, pollution or contamination.		x	x	x
Death within thirty (30) days of a trauma occurring.		x		
More than one claim during the period of insurance.	x	x		
A pre-existing medical condition occurring in the six months before the Commencement Date.			x	x
A pre-existing medical condition occurring in the twelve (12) months before the Commencement Date.	x	x		
Any illness sustained or manifested within thirty (30) days of the Commencement date.			x	
Involuntary unemployment occurring within thirty (30) days of the Commencement date.				x
Any trauma condition which is diagnosed or its symptoms become apparent within ninety (90) days from the Commencement date.		x		
Failure to seek medical attention and/or treatment and/or failure to follow medical advice.			x	
Unreasonable refusal to attend an independent examination by a medical practitioner requested and paid for by us.			x	
Childbirth, abortion or pregnancy (including conditions accelerated or induced as a result).			x	x
Normal cessation of a contract or seasonal employment.				x
Self employment or where your or your family's control exists over the employing company.				x
You were not engaged in paid employment on a regular basis for a period of at least 20 hours per week or if you were self-employed immediately before or on the date of commencement of the Period of Insurance.				x
You were not engaged in paid employment on a regular basis for a period of at least 20 hours per week for at least 30 consecutive working days immediately before becoming Involuntarily Unemployed.				x



Event or Circumstance	Life	Trauma	Disability	Involuntary Unemployment
You became Involuntarily Unemployed and before you entered into your Policy you knew, or a reasonable person ought to have known, of any actual or proposed termination of employment or a decrease in work available to you.				x
Your unemployment is voluntary.				x
Disability and Involuntary Unemployment claim simultaneously.				x
Alcoholism, drug addiction or the influence of intoxicating liquor or drugs.	x	x	x	x
An intentionally self-inflicted illness or injury whilst sane or insane (including Suicide within thirteen (13) months following the commencement date of the policy).	x	x	x	x
Engaging in a criminal act.	x	x	x	x
Taking part in lockouts, riots, civil commotion, strikes.			x	x
Engaging in professional racing of any kind except foot racing.			x	x
Flying or taking part in aerial activity except as a fare paying passenger in a motor propelled aircraft owned and / or operated by a recognised airline or licensed charter company.			x	x

## General Conditions

### Cancelling your policy

#### How you may cancel this policy

You may cancel this policy at any time by telling us in writing that you want to cancel it.

Where 'you' involves more than one person, we will only cancel the policy when a written agreement to cancel the policy is received from all persons named as the insured.

#### How we may cancel this policy

We may cancel this policy in any of the circumstances permitted by law by informing you in writing.

We will give you this notice in person or send it to your address last known to us.

### Refund of premium

On cancellation of your policy a refund of premium will be paid to you. The refund of premium will be calculated after deducting a portion of the premium for time on risk, reasonable administrative costs and any government taxes or duties (where these are not refundable under the applicable State legislation).

### Notices

Any notice we give you will be in writing, and it will be effective:

- if it is delivered to you personally; or
- if it is delivered or posted to your address last known to us.

It is important for you to tell us of any change of address as soon as possible.

### Changes to information previously advised

You must tell us as soon as possible if circumstances occur, or if changes or alterations are intended or made which increase the risk of loss, damage or Injury.

## Claims

### What you must do

#### Notification of an incident

You must advise us as soon as possible of an incident which could lead to a claim on this policy.

#### How to make a claim

When you, or your Estate, make a claim you must:

- contact us by phone as soon as practicable and be ready to provide details of the incident;
- return the completed claim form, that we provide you, promptly together with all letters, documents, medical certificates or other documentation and evidence that you have been asked to provide, otherwise we cannot process your claim;
- attend an independent examination by a medical practitioner if requested and paid for by us;
- provide written statements under oath if we require it;
- be interviewed about the circumstances of the claim, if we require this.

If a claim is not admissible under this policy due to the terms and conditions, you may be able to claim under a previous policy issued by us, which has been replaced by this policy.

If you require assistance or have any questions regarding a claim, please contact us on 1300 133 024.



### **You must assist us**

Before we will pay anything under this policy, you must have complied with all the requirements of this Section and provided us with all information and assistance that we have requested.

### **What you must NOT do**

#### **False or misleading information**

We may deny part or all of your claim if you are not truthful and frank in any statement you make in connection with a claim, or if the claim is fraudulent or false in any respect.

#### **What we do**

We may take over and conduct the defence or settlement of any claim or issue legal proceedings for damages. If we do this we will do it in your name. We have full discretion in the conduct of any legal proceedings and in the settlement of any claim. You must co-operate by giving us any statements, documents or assistance we require. This may include giving evidence in any legal proceedings.

#### **What can affect a claim**

We may refuse to pay a claim if you are in breach of your Duty of Disclosure or any of the conditions of this policy, including any endorsements noted on or attached to the Policy Schedule.

We may be entitled to refuse to pay or to reduce the amount of a claim if:

- it is in any way fraudulent; or
- any fraudulent means or devices are used by you or anyone acting on your behalf to obtain any benefits under this policy.

#### **How claim administration and legal proceedings are undertaken**

When a claim is admitted under this policy we have the right, at our discretion, to exercise all the legal rights of you relating to the incident and to do so in your name.

We will take full control of the administration, conduct or settlement of the claim.

#### **Continuity of cover (replacement policies)**

If this policy replaces an existing policy with us, as a result of you re-financing or varying your loan, and you are not covered under the terms of this replacement policy, then you may be able to claim under the terms and conditions of your previous policy.

If your claim would have been payable under the previous policy, then this replacement policy will respond to your claim at the levels and limits that were applicable under the previous policy. Where such a claim is for life or trauma then the amount payable will be the lesser of the amount payable under the previous policy and this replacement policy.

Where a claim would have been payable under the terms and conditions of your previous policy with us, however your claim occurs after the original expiry date of the period of insurance of the previous policy, then no claim will be payable under this replacement policy.

For this benefit to apply, the Commencement Date of this replacement policy must be within one business day of the cancellation date of the previous policy.

#### **When the policy ends**

The policy ends, and we stop paying benefits on the earliest of any of the following:

- the expiry date shown on the Policy Schedule;
- the date of your 65th birthday;
- the date the loan is discharged, re-financed, foreclosed or terminated;
- the date we receive a written request from you to terminate the insurance;
- the date given when we provide you with written notice to terminate the insurance in accordance with relevant legislation;
- the date upon which the total benefit for Disability is paid;
- the date you are no longer a permanent resident of Australia (unless otherwise agreed in writing by us);
- the date of your death.