

Mortgage Protector – Life Assurance Cover

Your cover in detail.

1 INTRODUCTION

This Life Assurance Cover provides **you** with a lump sum payment if an **insured person** dies or is diagnosed with a **terminal illness**.

The **schedule** will show which **insured person** this Life Assurance Cover applies to and if the additional options apply.

2 BUILT-IN BENEFITS

The following benefits are provided by this Life Assurance Cover:

2.1 Death Benefit

We will pay **you** the **sum assured** if an **insured person** dies. Any Trauma Cover - Accelerated, Trauma Multi Cover - Accelerated, or Total and Permanent Disability Cover – Accelerated paid will reduce the Life Assurance Cover **sum assured**.

2.2 Bereavement Benefit

If an **insured person** dies, **you** may apply for an immediate advance payment of \$15,000. If **his** or **her** Life Assurance Cover **sum assured** is less than \$15,000, **we** will pay the Life Assurance Cover **sum assured**.

The Life Assurance Cover **sum assured** will reduce by the amount of Bereavement Benefit **we** pay.

2.3 Terminal Illness Benefit

If an **insured person** is diagnosed with a **terminal illness**, **you** may apply for an advance payment of the Life Assurance Cover **sum assured**.

The Life Assurance Cover will end when this Terminal Illness Benefit is paid.

2.4 Terminal Illness Partial Benefit

You may apply for an early payment of the Terminal Illness Benefit for the lesser of:

- 30% of the **sum assured**, or
- \$250,000,

if the **insured person** is unequivocally diagnosed by an appropriate **specialist medical practitioner** with one of the following conditions:

- Motor Neurone Disease
- Stage 3 or 4 Exocrine Pancreatic Cancer
- Stage 4 non-small cell lung cancer
- Stage 4 Distal Oesophageal Cancer
- Stage 4 Liver Cancer
- Stage 4 Stomach Cancer
- Class 4 Congestive Heart Failure which is unresponsive to treatment

As the Terminal illness Partial Payment represents an early payment of the Terminal Illness Benefit, payment of this benefit will result in a reduction of the Life Assurance Cover **sum assured** and any **sum assured** on Trauma Cover - Accelerated, Trauma Multi Cover - Accelerated, or Total and Permanent Disability Cover – Accelerated.

2.5 Child's Funeral Benefit

The Child's Funeral Benefit will be payable if:

- we receive written notification of a **child** aged between two and 20 (inclusive) has died; and
- The death does not directly result from a **known congenital condition**, or any **child pre-existing condition**; and
- The death has not occurred within three months of the **date of commencement** or reinstatement of their **parent's** Life Assurance Cover.

The maximum **we** will pay **you** per **child** is as follows:

- \$3,500 if the child is aged between ten and twenty (inclusive) at the date of death, and
- \$2,000 less any other amounts payable in respect of the death of that **child** under the terms of the Life Insurance Act 1908 if the child is under the age of ten.

A maximum of one Child's Funeral Benefit will be paid irrespective of the number of covers the parent(s) has with us with Child's Funeral Benefit. The Child's Funeral Benefit is not deducted from the parent's Life Assurance Cover **sum assured**.

This Child's Funeral Benefit ends for a child on the earliest of the date:

- (a) the **child's parents** no longer have any cover with **us** that provides this Child's Funeral Benefit, or
- (b) of that **child's** 21st birthday.

2.6 Financial Planning Benefit

When **we** pay a lump sum benefit of at least \$100,000 to a beneficiary under the Policy, **we** will reimburse **you**, up to a maximum of \$2,500, the cost of a fully documented financial plan prepared by an Authorised Financial Adviser for the beneficiary.

Where there is more than one beneficiary the Financial Planning Benefit will be divided equally between those beneficiaries who each receive a benefit of at least \$100,000.

The reimbursement must be claimed within six months of receiving the lump sum benefit and will be payable only once in respect of all policies covering the same **insured person**.

We will require evidence to show that the financial plan has been provided, the qualifications of the financial adviser and the costs charged by the financial adviser.

2.7 Special Events

You can increase an **insured person's sum assured** once in any 12 month period before **his** or **her** 55th birthday without providing additional health information if one of the circumstance shown below occurs.

- (a) **You** can increase that **insured person's sum assured** by up to the lesser of \$250,000 or 25% of **his** or **her sum assured** at the **date of commencement** of the cover if any of the following events apply to **him** or **her**:
 - marriage, civil union, divorce or being subject to a separation agreement or order, or
 - birth or adoption of a **child**, or
 - dependent **child** starting secondary school, or
 - reaching ages 25, 30, 35, 40 or 45, or
 - death of a spouse, defacto partner, **child** or civil union partner, or
 - the **insured person** permanently stops work to provide full time physical care for the first time for a dependant **relative**, who did not require full time physical care before the **date of commencement**.
- (b) If the **insured person** takes out or increases a mortgage on **his** or **her** own home, **you** can increase **his** or **her sum assured** by up to the lesser of:
 - 50% of the **sum assured** at the **date of commencement**; or
 - the increase in the value of the existing mortgage or the amount of a new mortgage; or
 - \$250,000.
- (c) If the **insured person** has a **salary** increase of at least \$10,000 or a **salary** increase of at least 10% of **his** or **her salary**, **you** can increase **his** or **her sum assured** by up to the lesser of:
 - 25% of the **sum assured** at the **date of commencement**; or
 - 5 times the increase in **his** or **her salary**; or
 - \$250,000.

Conditions

- (a) **You** must exercise a Special Events increase in writing with supporting evidence within the later of either:
 - six months following the event; or

- 30 days of the following **policy anniversary**.
- (b) An increase under Special Events is not available if:
 - the **sum assured** at the **date of commencement** includes a premium loading greater than 100%.
 - the cover is as a result of a Buy Back option.
 - the **insured person** has either had a claim paid or is entitled to be paid a claim under any policy with **us** or any other insurance company
 - the premiums are not up to date or are being waived for any reason.
- (c) Any special terms and loadings that applied to the **sum assured** at the **date of commencement** will also apply to the increase on that cover.
- (d) **Your** premiums will increase in line with the increased **sum assured**. **We** will calculate **your** premium for the increase using the age of the **insured person** at the date **you** exercise a Special Events increase. The increased **sum assured** applies from the date **we** confirm the new **sum assured** to **you**, subject to payment of the additional premium.
- (e) The maximum increase for all events is the lesser of:
 - \$1,000,000, or
 - the **sum assured** at the **date of commencement**.

2.8 Premium Holiday Option

You can apply to **us** in writing once to ask **us** to suspend this Life Assurance Cover and the premiums for an **insured person** for up to 12 consecutive months. The Premium Holiday Option is only available for the following reasons: redundancy, bankruptcy, tertiary studies or overseas travel.

You must advise **us** how long **you** want the cover and the premiums suspended. In applying for the Premium Holiday Option **you** acknowledge that reinstating this Life Assurance Cover within the 12 month period is **your** sole responsibility. **You** can exercise this Premium Holiday Option during the days of grace by writing to **us** advising the reason why premium payments have stopped.

Conditions

- (a) **We** will acknowledge the request, suspend this Cover confirming that the Premium Holiday Option has been activated if a valid reason is given. **We** may require evidence of the reason for the suspension.
- (b) The maximum **sum assured** under this Premium Holiday Option is \$500,000.
- (c) **You** can reinstate this Life Assurance Cover without providing the **insured person's** health information
- (d) From the date **you** reinstate this Life Assurance Cover, premiums are payable on the same terms that applied before the premium holiday. **We** will base the premium on the **insured person's** then current age and the premium rates that apply at that time.

2.9 Conversion option

You can convert this Life Assurance Cover **sum assured** for an **insured person** to another policy which includes Life Assurance Cover on the terms applying at the time provided that:

- (a) this Life Assurance Cover is in force in its original form; and
- (b) all premiums have been paid; and
- (c) the maximum cover without medical evidence under the new policy is the Life Assurance Cover **sum assured** shown in the **schedule**.

Any special terms and conditions which apply to an **insured person's** Life Assurance Cover on this Policy will also apply to the converted cover on the new policy.

3 ADDITIONAL OPTIONS

3.1 CPI Option

If this option is included in this cover, the **schedule** will show which **insured person** this applies to. How **we** apply the CPI Option is set out in section 4 of the Policy Terms and Conditions.

The last increase under this CPI Option for an **insured person** under the Life Assurance Cover will be applied on the **policy anniversary** immediately before **his** or **her** 65th birthday.

4 CLAIMS

4.1 Notice

You must notify **us** in writing immediately or as soon as practically possible after **you** become aware of any claim or potential claim under this Life Assurance Cover.

We will advise **you** of the requirements **we** need to assess **your** claim.

You must pay any expenses incurred in proving **your** claim.

4.2 Obligations

You must:

- (a) Complete **our** claim form (if required) in full and send it to **us** as soon as reasonably possible.
- (b) Supply **us** with all relevant medical evidence **we** reasonably require in connection with the claim.
- (c) Authorise the disclosure to **us** of the **insured person's** or **your** personal information in connection with the claim held by any other party.
- (d) Authorise the disclosure of the **insured person's** or **your** personal information held by **us** to another party to evaluate the claim.
- (e) Provide **us** with any other relevant information **we** reasonably require.

For **terminal illness** and Terminal Illness Partial Benefit claims the **insured person** must:

- (a) Provide a signed report from an appropriate **specialist medical practitioner** confirming the diagnosis, prognosis and supporting medical evidence of the **terminal illness** or condition.
- (b) Undergo one or more medical examinations if **we** reasonably request them at **our** expense. This may include blood tests and medical testing.

You and the **insured person** must comply with the obligations set out above before **we** assess a claim.

5 EXCLUSIONS

We will cancel the cover, or the increased portion of cover, and retain any premiums paid if an **insured person**, whether sane or insane, dies by **his** or **her** own hand within 13 months of:

- the **date of commencement** or the date of reinstatement, or
- the date of any increases in the **sum assured**, excluding increases due to the CPI Option.

This exclusion will not apply if the **insured person** had similar life cover with another insurance company and this cover replaced that cover up to the **sum assured** under the replaced cover provided:

- the previous cover had been in force for at least 13 months before the **date of commencement**, and
- you provide us proof of the existence and cancellation of that previous policy at the time of claim.

6 WHEN THIS COVER ENDS

This Life Assurance Cover ends for an **insured person** on the earliest of the date:

- (a) **you** cancel **his** or **her** Life Assurance Cover, or
- (b) this Policy ends for any reason, or
- (c) **we** pay a claim for **his** or **her** **terminal illness**, or
- (d) **we** pay **you** the Trauma Cover - Accelerated, Trauma Multi Cover - Accelerated, or Total and Permanent Disability Cover – Accelerated if any of these are included on the **schedule** and there is no remaining Life Assurance Cover, or

(e) **he** or **she** dies.

7 DEFINITIONS

The definitions shown below apply to all derivatives of the words defined.

Child pre-existing condition

Any illness, sickness, disease, injury or medical condition existing that:

- the **parent** or **child** was aware of, or
- the **child** had signs or symptoms of; or
- the **child** had investigations or sought medical advice for, or
- a reasonable person or **parent** in the circumstances would seek diagnosis, care or treatment for,

on or before the date the Child's Funeral Benefit starts for a **child**.

Known congenital condition

A health anomaly, medical condition or defect which is present at birth which is known by the **parent** or **child** at the date the Child's Funeral Benefit starts for a **child**.

Terminal illness

An illness where, after considering the current or future treatment the **insured person** would be reasonably expected to receive, **he** or **she** is likely to die within 12 months. The **specialist medical practitioner** treating **his** or **her** condition must certify the diagnosis and prognosis of the **terminal illness**. Another **specialist medical practitioner** nominated by **us** must confirm the diagnosis and prognosis.