QBE Insurance (Australia) Limited

Mortgage Insure

Insurance Product Disclosure Statement
and Policy Wording

ADCU
Australian Defence Credit Union

QBE

CONTENTS

Introduction **3**
About this booklet **3**
Updating our PDS 3
For more information 3
About QBE Australia 4
About ADCU 4
Important Information **5**
Duty of disclosure **5**
Privacy **6**
About Consumer Credit Insurance **8**
Significant benefits & features **9**
Significant risks **11**
The cost of this policy **12**
How to make a claim **12**
Cooling-off information **12**
The General Insurance Code of Practice **12**
Dispute resolution **13**
Financial claims scheme **13**
Policy Wording **14**
Our agreement with you **14**
Your Policy **14**
Paying your premium **15**
Words with special meaning **15**
Section 2A – Death Cover **18**
What we will pay for 18
Continuity of cover 18
What we won't pay for 19
Section 2B – Disability (Illness and Injury) Cover **19**
What we will pay for 19
Continuity of Cover 19
Recurrent disability 19
What we won't pay for 20
Section 2C – Trauma Cover **20**
What we will pay for 20
Continuity of cover 21

Date of preparation: 1st April 2014
Date effective: 31st October 2014
QM3012-1014

What we won't pay for 21
Section 2D – Involuntary Unemployment Cover 21
What we will pay for 21
What we won't pay for 21
General conditions 23
General exclusions 24
Claims 24

Introduction

We understand how important it is to be comfortable with your cover so we are glad you chose QBE to take care of your insurance. As the largest Australian owned general insurer and reinsurer, we have been taking care of the insurance needs of Australians since 1886. Safe, strong and secure, you can be confident you've made a great choice.

Inside, you will find the information you need to know about the Policy. We explain what the Policy covers, information about excesses and importantly, how to make a claim.

Remember, whether you call us for a quote, or to report a claim, or to change your details, you can rely on our friendly team to help you.

Thank you for making QBE your first choice.

About this booklet

This booklet is a Product Disclosure Statement (PDS) and is also the Policy Wording. Other documents may comprise the PDS and we will tell you if this is the case in the relevant document.

This booklet has two (2) parts: Important Information to help you understand the insurance, and the Policy Wording, which sets out terms and condition of the cover provided. It is up to you to choose the cover you need. Any advice in this booklet is general in nature only and has not considered your objectives, financial situation or needs. You should carefully consider the information provided having regard to your personal circumstances to decide if it is right for you.

Updating our PDS

We may update the information contained in this PDS when necessary. A paper copy of any updated information is available to you at no cost by calling us. We will issue you with a new PDS or a supplementary PDS, where the update is to rectify a misleading or deceptive statement or omission, which is materially adverse from the point of view of a reasonable person deciding whether to obtain or renew this insurance.

For more information

Please take the time to read through this booklet and if you have any questions or need more information, please contact:

- your financial institution or contact ADCU at:
  Australian Defence Credit Union Limited
  PO Box H151
  Australia Square NSW 1215
  Email: insurance@adcu.com.au
  Phone: 1300 13 23 28

About QBE Australia

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239545 is a member of the QBE Insurance Group Limited ABN 28 008 485 014 (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 insurance solutions that are focused on the needs of policyholders.

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

About ADCU

As a holder of an Australian Financial Services Licence (AFSL/ ACL No. 237 988), the Australian Defence Credit Union Limited (ADCU) ABN 48 087 649 741, can arrange to issue, vary, renew and cancel this insurance policy under a "binder" provided by the Insurer.

A "binder" is an agreement that allows ADCU, as agent of the Insurer, to enter into contracts of insurance on behalf of the Insurer.

This means that the insurance policy issued to you by ADCU is binding on the Insurer just as if it had issued the policy itself.

Important Information

The information provided in this section includes high level information about this Policy including your duty of disclosure, privacy, how to make a claim, our dispute resolution process and other relevant information. This section may also set out other information such as options in cover you can choose from, factors that affect the cost and any cooling off rights.

The Policy Wording section sets out the detailed terms, conditions and exclusions relating to the insurance.

If we issue you with a 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 Wording.

The Policy Wording and Policy Schedule form your legal contract with us so please keep them in a safe place for future reference. You should check the Policy Schedule, or renewal schedule if you are issued one, when you receive it to ensure it accurately states what you have insured.

Duty of disclosure

New business

What you must tell us

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

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 your insurance. If you answer our questions fraudulently, we may refuse to pay a claim and treat the insurance as never having worked.

Renewals, variations, extensions and reinstatements

Once your insurance is entered into and is no longer new business then your duty to us changes. You are required before you renew, vary, extend or reinstate your insurance, to tell us everything you know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to insure you, and anyone else to be insured under this insurance, and if so, on what terms.

You do not have to tell us about any matter:

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;
- that we know or should know or, in the ordinary course of our business, we ought to know;
- as to which compliance with your duty is waived by us.

Non-disclosure

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the insurance in respect of a claim or may cancel the insurance.

If your non-disclosure is fraudulent, we may also have the option of avoiding the insurance from its beginning.

You must disclose to us all previous claims

You are asked at the time you take out this insurance to give us full and correct details concerning any:

- renewal or insurance policy declined, cancelled or refused, or where any excess was imposed;
- claim refused by an insurer;
- claim made;
- criminal conviction or finding of guilt for an offence,

in relation to you and your family because any of these may affect the premium and extent of insurance.

For example, we may be entitled to:

- charge you an additional premium;
- impose (back-dated) restrictions including declining your insurance back to when this information should have been provided;
- decline to insure your building, contents or valuables;
- refuse a claim.

When renewing your Policy with us you must also advise us of any changes to your:

- claims;
- insurance; or
- criminal history.

We will notify you in writing of the effect a change may have on your renewal.

Privacy

All companies in the QBE Group are committed to safeguarding your privacy and the confidentiality of your personal information. QBE collects only that personal information from or about you for the purpose of assessing your application for insurance and administering your insurance policy, including any

claim made by you. QBE will only use and disclose your personal information for a purpose you would reasonably expect. We will request your consent for any other purpose.

Without this personal information we may not be able to issue insurance cover, administer your insurance or process your claim. Our aim is to always have accurate and up-to-date information. When you receive a Policy Schedule, Certificate of Insurance, Renewal or other document from us, you should contact us if the information is not correct.

QBE uses the services of a related company located in the Philippines to provide Call Centre sales and claims handling, accounting and administration services to QBE in Australia.

QBE or our authorised agent may collect or disclose your personal information from or to:

- any person authorised by you;
- a mail house, records management company or technology services provider (for printing and/or delivery of mail and email, including secure storage and management of our records). These companies may be located or the records stored using 'Cloud' technology overseas, including in India, Ireland, USA or the Netherlands;
- a financier whose name appears on your Policy Schedule (for the purpose of confirming the currency of your Policy or when you have a claim and the insured property is a total loss, to confirm if the financier has a current interest);
- an organisation that provides you with banking facilities (for the purpose of arranging direct debit or other payment transactions or confirming payments made by you to us);
- a financial services provider or our agent who is arranging your insurance (for the purpose of confirming your personal and insurance details);
- another person named as a co-insured on your Policy (for the purpose of confirming if full disclosure has been made to us);
- another insurer (to obtain confirmation of your no claim bonus or to assess insurance risks or to assist with an investigation);
- our reinsurer that may be located overseas (for the purpose of seeking recovery from them);
- a dispute resolution organisation such as the Financial Ombudsman Service (for the purpose of resolving disputes between QBE and you or between QBE and a third party);
- a company to conduct surveys on our behalf for the purpose of improved customer services; and
- an insurance reference bureau (to record any claims you may make upon us).

In addition to the above, in the event of a claim, QBE or our authorised agent may disclose your personal information:

- to a repairer or supplier (for the purpose of repairing or replacing your insured items);
- to an investigator, assessor (for the purpose of investigating or assessing your claim);

- to a lawyer or recovery agent (for the purpose of defending an action by a third party against you or recovering our costs including your excess or seeking a legal opinion regarding the acceptance of a claim);
- to a witness to a claim (for the purpose of obtaining a witness statement);
- to another party to a claim (for the purpose of obtaining a statement from them or seeking recovery from them or to defend an action by a third party).

Personal information (about you) may also be obtained from the above people or organisations.

In addition we will:

- give you the opportunity to find out what personal information we hold about you and when necessary, correct any errors in this information. Generally we will do this without restriction or charge; and
- provide our dispute resolution procedures to you, should you wish to complain about how we handle your personal information.

To obtain further information about our Privacy Policy, to request access to or correct your personal information, or to make a complaint please email: complaints@qbe.com.

About Consumer Credit Insurance

This is a Consumer Credit Insurance (CCI) policy designed to meet your loan repayments in the event of a disability or involuntary unemployment. This 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.

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.

How to apply for this insurance

You can apply for this insurance by completing our application process that is administered by your financial institution.

If we accept your application, you will receive a policy schedule that identifies the insured, the insurer, the period of insurance, the premium, the cover(s) selected, the limits of liability and other important information.

To be eligible for this Policy you must, at the commencement date of this insurance:

1. be less than 60 years of age
2. be a permanent resident of Australia unless you are a member of the Australian Defence Force posted overseas or we agree in writing to insure you

3. be in permanent employment for not less than 15 hours per week, every week other than when you are on annual leave
4. have no knowledge that your permanent employment is to be terminated or a decrease in work being available.

Points 3. and 4. do not apply if you are a person named on the loan contract, are not in permanent employment and you are only applying for death cover.

Significant benefits & features

The following information lists some of the significant features and benefits available under our policy. For full details of the features and benefits of this insurance cover you need to take the time to read the Policy Wording.

There are two main covers. You must choose one or both of these covers:

- Death cover
- Disability cover

There are two additional covers:

- Involuntary Unemployment cover
- Trauma cover

Involuntary unemployment and trauma covers are only available when chosen in conjunction with the disability cover.

Cover applies 24 hours a day, 7 days per week. For a more comprehensive overview of your cover options, speak to your financial institution.

Death Cover

In the event of death, we will pay to your financial institution the outstanding balance of your loan contract at the date of death (excluding any loan repayments two months or more in arrears), to a maximum of $350,000.

If you die (other than by suicide), during the period of time between the date your loan is approved and when the funds are advanced, we will pay the death cover, provided your application has been accepted and death occurs within 120 days of your loan being approved.

Disability Cover

If you are unable to work because you have suffered an injury or illness, we will pay the repayment shown on your policy schedule for this cover to your financial institution for each fortnight/month you are disabled up to a maximum amount which is the equivalent of 36 monthly repayments, provided that:

- the disability continues for at least 29 consecutive days from the date you first seek medical attention for the injury or illness which causes the disability
- the monthly benefit is no more than $3,000, and
- you have not reached 65 years of age.

Involuntary Unemployment Cover

If you are unable to continue your permanent employment as a direct result of involuntary dismissal or retrenchment by an employer, we will pay the repayment shown on your policy schedule for this cover after the 28-day waiting period for each period of involuntary unemployment you experience.

The maximum payment for any one claim is 3 months during any consecutive 12-month period.

The most we will pay in total for all involuntary unemployment claims during the period of insurance is $10,000.

Cover will only apply if:

- you have not reached 65 years of age
- you have not experienced involuntary unemployment within 28 days of the commencement of the period of insurance
- you have been in permanent employment for 60 consecutive working days immediately prior to experiencing involuntary unemployment
- you are not self-employed or you or a member of your family can exercise control over your employer.

Trauma Cover

If you suffer a trauma, we will pay to you the lesser of the outstanding balance at the date you suffered the trauma and $50,000. We will not pay more than one claim during the period of insurance and no claim will be payable for any trauma suffered in the first 90 days of cover.

Policy Limits

Covers under this Policy have limits. The maximum amounts we will pay for the cover you have chosen, irrespective of the amounts shown on the policy schedule, are:

Death Cover

- The benefit payable is the outstanding balance of your loan contract up to a maximum of $350,000.
- For a policy in joint names, only one claim is payable.

Disability Cover

- The maximum monthly benefit is the lesser of the insured repayment amount selected by you as shown in your Policy Schedule and $3,000 per month, no matter how many claims are made by all covered persons.
- The maximum benefit payable is for a period equivalent to 36 monthly loan repayments but only if the policy remains in force during that period.

Involuntary Unemployment Cover

- The maximum monthly benefit is the lesser of the insured repayment amount as shown in your Policy Schedule and $3,000 per month, no matter how many claims are made by all covered persons.
- The monthly benefit is paid for a maximum period of 3 months during any consecutive 12-month period.
- The maximum benefit payable for all claims during the period of insurance is $10,000.

Trauma Cover

- The benefit is the lesser of the outstanding balance and $50,000.
- Only one claim can be made during the period of insurance.

Period of Insurance

The period of insurance is for the lesser of 5 years or the time your policy cover ends under General conditions – When your insurance ceases.

If there are general increases in the interest rate charged by your financial institution resulting in the term of the loan contract being extended, the period of insurance will be extended by up to 6 months at no extra charge.

Significant risks

The following information lists some of the significant risks arising under your Policy. It is important that you take the time to carefully read the policy wording in full before applying for this insurance.

Variation of cover

If you vary any of the terms of your loan contract this policy will be cancelled, and if you want cover, you will need to enter into a new policy to cover the varied loan contract.

Where you vary your loan contract and you propose entering into a new policy, all current terms and conditions of the new policy apply as at the date the new policy is issued.

Waiting periods

A waiting period is a period of time for which no benefit is payable. You may be subject to one or more waiting periods under this policy. A full description of all the waiting periods that may apply can be found in the policy wording.

Interest Rates

The amounts we may pay for claims relating to disability and/or involuntary unemployment are calculated by reference to the repayment as shown in your policy schedule. If during the period of insurance your actual loan repayments are affected by a change in interest rates, any payments under the policy may not provide total cover.

The cost of this policy

The total premium is the amount we charge you for this Policy. It includes the amount we have calculated for the risk and the taxes and government charges applicable. The premium will be shown on the Policy Schedule.

When calculating the premium we take a number of factors into account. These factors and the degree to which they affect the premium will depend on the information you give us, and the level and type of cover you choose. The main factors that impact your premium include:

- the covers selected, and
- the sum insured.

Commission

In arranging this insurance your financial institution is acting as an agent of QBE Life (Australia) Limited and QBE Insurance (Australia) Limited not you. The commission paid to your financial institution is 20% of the premium excluding GST and Stamp Duty.

How to make a claim

Full details of what you must do for us to consider your claim are provided in the 'Claims' section at the end of this booklet. To make a claim under this Policy please contact:

- QBE on 1800 226 122.

Cooling-off information

If you are not completely satisfied with this Policy, you may cancel it within 30 days from the commencement date and receive a full refund. To take advantage of this offer we must receive a request from you within 30 days of the commencement date. This offer does not apply if you have made or are entitled to make a claim within this period.

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.

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. We have a complaints and dispute resolution procedure which undertakes to provide an answer to your complaint within fifteen (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 fifteen (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 is bound by the determination of FOS but the determination is not binding on you.

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 or 1300 55 88 49.

Policy Wording

This Policy is made up of covers which are underwritten by different insurers. Each insurer only accepts liability in respect to the insurance cover of which they are the insurer.

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFS Licence 239545 of 2 Park Street, Sydney, NSW 2000 is the insurer of disability and involuntary unemployment covers.

QBE Life (Australia) Limited ABN 83 089 981 073 AFSL 245492 of 2 Park Street, Sydney, NSW 2000 is the insurer of Death and trauma covers – these are life risk consumer credit insurance benefits.

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 limits of cover applying to the cover selected by you and the amount of any excess that applies to your Policy, is shown on your Policy Schedule.

Your Policy

Your Policy consists of the Policy Wording in this booklet and the Policy Schedule we give you. Please keep them in a safe place for future reference.

Please check the Policy Schedule details to ensure it accurately states what you have insured. Be sure to check that the limits and sums insured are adequate.

The 'general exclusions' and 'general conditions' apply to all sections of this Policy.

Paying your premium

The premium for this Policy may be paid by including it as part of your loan contract or by you as a separate amount. If you have not paid this premium the Policy will not operate and there will be no cover.

Words with special meaning

Some key words and terms used in this Policy have a special meaning. If words and terms are only used in one (1) 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
Application	the proposal or application form, and any personal statements, submitted by you or by another person on your behalf.
Cancer*	the first unequivocal diagnosis of any internal malignant tumour requiring treatment by surgery, radiotherapy, hormone therapy or chemotherapy. Included will be any malignant tumour considered to be too advanced or too serious for specific treatment to be warranted, but excluding: 1. tumours treated by endoscopic procedures alone and tumours classed as carcinoma in situ and prostate tumours that have not invaded the muscle layer 2. tumours of the skin with the exception of malignant melanoma where there is evidence of spread to lymph nodes or distant tissue, and 3. Kaposi's sarcoma and other tumours caused by HIV or AIDS.
Commencement date	the inception date of the period of insurance stated on the policy schedule you received from us in connection with this policy, or the date the loan funds are advanced to you, whichever is the later.
Coronary Artery Surgery*	a coronary artery bypass grafting surgery performed via a Thoracotomy.
Cover or covers	the protection provided by this Policy.
Date of the trauma	the date on which, in the opinion of a medical practitioner and/or pathologist, the trauma event has been proven to have occurred.

Word or term	Meaning
Disablement, disabled, or disability	your inability due to illness or injury (as certified by a medical practitioner) to perform duties of your usual occupation. Where disablement caused by illness or injury extends beyond 6 months, then disablement means your inability to perform the duties of any occupation for which you are reasonably qualified by education, training or experience and so certified by a medical practitioner.
Heart attack*	a diagnosed acute myocardial infarction resulting from inadequate cardiac blood supply that has been documented by the occurrence of chest pain and electro-cardiographic evidence and elevation in cardiac enzymes.
Illness	any illness, sickness or disease.
Injury	bodily injury caused solely by violent, accidental, external and visible means.
Involuntary unemployment or unemployed	you are unable to continue your permanent employment as a direct result of involuntary dismissal or retrenchment by an employer and you are registered as unemployed with Centrelink or the Department of Social Security and you are actively seeking work.
Kidney Failure*	end stage renal failure, which presents chronic irreversible failure of both kidneys to function, as a result of which regular renal dialysis is initiated or renal transplant is carried out.
Loan contract	the mortgage between you and your financial institution.
Major Organ Transplant*	actually having undergone, as a recipient, a medically necessary transplant procedure involving one or more of the following organs: kidney, heart, liver, lung, bone marrow and pancreas.
Medical practitioner	a legally qualified and independent medical practitioner, physician or surgeon (other than you or a member of your family or your business partner) that is registered and practising medicine in Australia.
Outstanding balance	the amount outstanding under your loan contract and for which you are indebted to your financial institution at the relevant date excluding any loan payments which are two months or more in arrears.
Period of insurance	the period we cover you for. Its commencement date is shown on the policy schedule and it expires on the earlier

Word or term	Meaning
	of the expiry date shown on the policy schedule and such other time cover ceases in accordance with the General Conditions, Automatic cessation of cover. In no case does it commence prior to the commencement date of the loan contract or continue beyond 5 years. However, if there are general increases in the interest rate charged by your financial institution resulting in the term of the loan contract being extended, the expiry date shown on the policy schedule will be extended by up to 6 months at no extra charge.
Permanent employment	working on a regular basis for remuneration or profit for not less than 15 hours per week for a six month period prior to commencement of the policy. Such work cannot be of a seasonal nature.
Permanent resident of Australia	a person not living outside Australia for more than 12 months at a time unless you are a member of the Australian Defence Force posted overseas.
Policy	the contract of insurance and includes the application, this PDS and the policy schedule.
Policy Schedule	your most recent schedule. We give you a schedule when you buy a policy from us.
Pre-existing condition	any injury or illness (whether diagnosed or treated by a medical practitioner or not) of which you were aware, or a reasonable person in your circumstances could be expected to have been aware, existed at the time you applied for this insurance.
Premium	the amount paid for the covers you have selected.
Product Disclosure Statement	this document which incorporates your policy wording, and is designed to help you understand the policy and to decide whether to purchase this insurance product.
Repayment	the lesser of the insured repayment amount selected by you as shown in your policy schedule and $3,000 per month.
Replacement Policy	this policy if it replaces a Mortgage Insure policy that has been cancelled within 90 days of the commencement date of this policy.
Stroke*	any infarction of brain tissue due to a cerebrovascular incident and which is associated with evidence of a neurological deficit that creates permanent functional

Word or term	Meaning
	impairment. It does not mean infarct of brain tissue as a result of bodily injury caused by violent, accidental, external and visible means or vascular disease affecting the eye or optic nerve.
Trauma	the positive diagnosis of any of the diseases or disabilities as listed on page 26 which occur during the period of insurance occurring after the first 90 days of the commencement date.
We, our, us	QBE Insurance (Australia) Limited ABN 78 003 191 035 AFS Licence 239545 of 2 Park Street, Sydney, NSW 2000 in respect of the disability and involuntary unemployment cover and QBE Life (Australia) Limited ABN 83 089 981 073 AFSL 245492 of 2 Park Street, Sydney, NSW 2000 in respect of the death and trauma.
You, your	The insured(s) name in your policy schedule.

* These special meanings are only relevant if you have selected the Trauma Cover option.

Section 2A – Death Cover

This cover only applies if you have selected to insure for death cover, and this is shown on your Policy Schedule and you have paid the relevant premium for that cover.

What we will pay for

If you die during the period of insurance, we will pay your financial institution the outstanding balance at the date of your death up to a maximum of $350,000. In the event that the loan contract is in your joint names and both of you die, only one claim will be covered.

If you die (other than by suicide), during the period of time between the date your loan is approved and when the funds are advanced we will pay the death cover provided that:

- an application to us for death cover has been completed by you, and
- your application is acceptable to us, and
- your death occurs within 120 days after your financial institution approves your loan.

Continuity of cover

If this is a replacement policy, we will accept a claim for illness or injury first manifested under the replaced policy, but only for the cover(s) and up to the limits provided prior to the commencement date of this policy.

What we won't pay for

We will not pay for any claim for death cover, if your death is:

1. a result of suicide within 13 months of the commencement date of this insurance
2. caused or contributed to by any pre-existing condition, or
3. caused or contributed to by alcohol, drugs or narcotics (except where administered by or taken in accordance with the advice of a medical practitioner).

If, at the date of your death, your financial institution has any form of insurance for the repayment of this loan the outstanding balance is to be reduced by the benefit provided or by any payment received by your financial institution from the insurance.

Section 2B – Disability (Illness and Injury) Cover

This cover only applies if you have selected to insure for disability cover, and this is shown on your policy schedule and you have paid the relevant premium for that cover.

What we will pay for

A benefit is payable for disability cover as follows:

1. If you become disabled during the period of insurance and you are disabled for at least 29 consecutive days, we will pay your repayments to your financial institution to a maximum of $3,000 per month up to a maximum amount equivalent to 36 monthly repayments, whilst you remain disabled.
2. If, due to a variation to the interest rate stated in the loan contract, the actual repayments vary, we will calculate the benefits payable on the basis of the repayment amount shown in your Policy Schedule.
3. Whether this policy covers one or more people, the maximum amount we will pay fortnightly/monthly (as relevant), is the repayment shown on your Policy Schedule to a maximum aggregate monthly benefit of $3,000.

Continuity of Cover

If this is a replacement policy, we will accept a claim for illness or injury first manifested under the replaced policy, but only for the cover(s) and up to the limits provided prior to the commencement date of this policy.

Recurrent disability

If you return to permanent employment for less than 6 months following a period of disablement, any further claim for disablement will be considered as a continuation of the prior period(s) of disablement.

What we won't pay for

No benefit is payable for disability cover:

1. for the first 28 consecutive days of any disability
2. for claims arising out of a depression, stress and/or an anxiety condition
3. for any period where your inability to return to work (whether duties of your usual occupation in the first 6 months of disability or, after that period, duties of any occupation for which you are reasonably qualified by education, training or experience) is due to your failure to actively seek and undergo medical attention and/or rehabilitation in respect of the disability
4. if you fail to attend a medical examination with an independent medical practitioner requested by us. This examination will be at our expense
5. if you return to employment in any occupation for reward or profit
6. if your disability is a result of:
   (a) any pre-existing condition
   (b) a deliberately self-inflicted injury or condition whilst sane or insane
   (c) any illness or injury which is caused by or exacerbated by alcohol, drugs or narcotics (except where your disability is as a result of a drug administered by, or taken in accordance with the advice of a medical practitioner)
   (d) you not obtaining and/or following medical advice provided by a qualified medical practitioner or rehabilitation specialist
   (e) your decision to cease work that is not supported by an independent medical assessment of your disability. (The mere fact that you are medically discharged from your usual occupation does not qualify as such an assessment), or
   (f) childbirth, pregnancy or abortion or any conditions contributed to by them.

Section 2C – Trauma Cover

This cover only applies if you have selected to insure for trauma cover, and this is shown on your policy schedule and you have paid the relevant premium for that cover.

Trauma Cover includes the following diseases and disabilities:

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

What we will pay for

If you suffer a trauma, we will pay to you the lesser of the outstanding balance at the date you suffered the trauma and $50,000.

Continuity of cover

If this is a replacement policy, we will accept a claim for illness or injury first manifested under the replaced policy, but only for the cover(s) and up to the limits provided prior to the commencement date of this policy.

What we won't pay for

No benefit is payable for trauma cover:

1. for a trauma that occurs within 90 days after the commencement date of this insurance
2. if death occurs within 28 days after the date of the trauma
3. for more than one trauma during the period of insurance
4. for any disease or disability diagnosed as a trauma which was caused by alcoholism, drug addiction, narcotics or the influence of intoxicating liquor, drugs or narcotics, or
5. for a trauma that occurs as a result of a pre-existing condition.

Section 2D – Involuntary Unemployment Cover

This cover only applies if you have selected to insure for involuntary unemployment cover and this is shown on your policy schedule and you have paid the premium for that cover.

What we will pay for

What we will pay for

1. If you experience involuntary unemployment during the period of insurance, we will pay to your financial institution your repayment from the 29th day after you register as unemployed with Centrelink to a maximum of $3,000 per month.
2. We will only pay up to a maximum of 3 months involuntary unemployment benefit during any consecutive 12-month period.
3. The maximum amount we will pay for all involuntary unemployment claims made during the period of insurance is $10,000.

What we won't pay for

We won't pay for

1. for any period of involuntary unemployment which occurs within 28 days of the commencement date of this insurance
2. for the first 28 days of any involuntary unemployment period, with benefits being calculated from the 29th day after you are registered with Centrelink
3. if you have not been in permanent employment for 60 consecutive working days immediately prior to experiencing involuntary unemployment
4. if you were unemployed or you were aware that you would become unemployed at the time of applying for this insurance
5. if you are employed on a fixed term contract and it expires

6. if you are an apprentice and your period of apprenticeship ends
7. if you are self-employed or employed by a company or business over which you or your family can exercise control
8. if you are a seasonal worker
9. whether this policy covers one or more people, the maximum amount we will pay is the amount of the fortnightly/monthly repayment
10. if you are dismissed for any form of wilful or other misconduct which resulted in your immediate dismissal
11. if you return to employment in any occupation for reward or profit.

General conditions

These general conditions apply to all sections of this Policy. There may be additional conditions set out under the claims section of this booklet.

Automatic cessation of cover

Your cover will automatically cease to be in force and all benefit payments being made to you by us in respect of disability and involuntary unemployment will stop as soon as any one of the following occurs:

(a) you reach 65 years of age
(b) you die
(c) you cease to be a permanent resident of Australia
(d) the period of insurance expires
(e) the policy is cancelled by you or us
(f) your loan contract is varied or repaid or is discharged or cancelled for any other reason.

Cancelling your Policy

If you want to cancel the policy:

(a) You can cancel this policy at any time by giving us written notice.
(b) If you request cancellation of the policy later than 30 days after the commencement date we will refund to you a proportion of the premium. The amount of premium to be refunded will satisfy any relevant legislation and will include the GST and any government charges you have paid to the extent we reasonably believe we will be entitled to a refund or credit for that GST and any government charges.
(c) No refund of premium will be paid once any claim has paid out the outstanding balance.

Any premium refund will be paid to your financial institution. Your financial institution is required to pay you or credit you with a proportionate rebate of premium paid.

If we want to cancel the policy:

We may cancel this policy at any time, for any reason allowed under the law, by giving you written notice.

Taxation information

There may be other taxation implications affecting you, depending upon your own circumstances. We recommend that you seek professional advice.

Any payments made by us for claims may have an impact on your income for the purposes of the Income Tax Assessment Act. You should obtain independent advice to see how this may affect you.

General exclusions

The insurance we offer to you under this policy provides cover for certain events. There will be situations where this policy provides no cover at all. Those situations are set out in the policy wording. For full particulars of all these exclusions, you must take the time to read this in detail.

The following lists some of the events which will not be covered under your Policy.

For a comprehensive list and further details on these, refer to the Policy Wording , under the headings "What we won't pay for".

• any claim if your death is the result of a suicide within 13 months of the commencement date of the period of cover

• any period of involuntary unemployment which occurs within 28 days of the commencement date of this insurance

• the first 28 days of any involuntary unemployment period

• any claim for involuntary unemployment if you are self-employed or employed by a company or business over which you or your family can exercise control

• any claim if you have not been in permanent employment for 60 consecutive working days immediately prior to experiencing involuntary unemployment

• the first 28 days of any disability period, and

• any claim for death, disability or trauma arising out of a pre-existing condition.

Sanctions limitation and exclusion clause

You are not insured under any section of this Policy where a claim payment breaches any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.

Claims

For all claims, you or your estate's legal representative must:

1. advise us in writing as soon as possible after the claim event, and
2. complete a Claim Form supplied by us.

In addition the following must be provided:

For Death claims:

1. your estate's legal representative must provide proof of your identity, cause of death and existence of the loan contract in a form satisfactory to us.

For Disability claims:

1. you must, at your own expense, support your claim with completion of a Monthly Progress Report, and any other medical information we may request.
2. we may request a medical examination by a doctor of our choice and you must comply with any such request. We will pay for any examination that we request be undertaken.
3. we may require you to attend rehabilitation during the claim period (at our expense) with the view of you returning to the work force. A refusal to attend rehabilitation may result in your claim being rejected.

For Involuntary unemployment claims:

1. you must, at your cost, obtain and supply us with any relevant documents we request, including advice of your employment being terminated by your employer and a Certificate of Unemployment from Centrelink or Department of Social Security or the relevant body.
2. you must, at your cost, obtain and provide ongoing proof of involuntary unemployment.

For Trauma claims:

1. you must support your claim with medical information and such medical certificates as we may request.
2. we may request a medical examination by a doctor of our choice and you must comply with such a request. We will pay for any examination that we request is undertaken.

For all enquiries please contact your financial institution

QBE Insurance (Australia) Limited

2 Park Street
Sydney NSW 2000 Australia
www.qbe.com.au

This Policy is underwritten by QBE Insurance (Australia) Limited
ABN 78 003 191 035, AFSL 239545 of 2 Park Street, Sydney NSW 2000 Australia,
insurer of disability and involuntary unemployment covers
and
QBE Life (Australia) Limited ABN 83 089 981 073, AFSL 245492
of 2 Park Street, Sydney NSW 2000 Australia, insurer of life and trauma covers.

QM3012