

St Andrew's
AUSTRALIA



MORTGAGE PROTECTION

PRODUCT DISCLOSURE STATEMENT
INCLUDING POLICY WORDING

ISSUED BY:
ST ANDREW'S INSURANCE (AUSTRALIA) PTY LTD AND
ST ANDREW'S LIFE INSURANCE PTY LTD
DATED 1 NOVEMBER 2018

THE PRODUCT ISSUERS

St Andrew's Insurance (Australia) Pty Ltd (St Andrew's Insurance) ABN 89 075 044 656, Australian Financial Services Licence No. 239649, is the issuer and the underwriter of the Involuntary Unemployment Cover. Where the duration of the loan agreement is 3 years or less, St Andrew's Insurance is the issuer and the underwriter of the Accident & Sickness Cover.

St Andrew's Life Insurance Pty Ltd (St Andrew's Life) ABN 98 105 176 243, Australian Financial Services Licence No. 281731, is the issuer and the underwriter of the Life Cover. Where the duration of the loan agreement is greater than 3 years, St Andrew's Life is the issuer and the underwriter of the Accident & Sickness Cover.

St Andrew's are a specialist life and consumer credit insurer, providing insurance solutions to consumers in Australia since 1998.

In this Product Disclosure Statement Including Policy Wording (PDS), unless specified otherwise, 'St Andrew's', 'we', 'our' and 'us' refers to both St Andrew's Insurance and St Andrew's Life.

St Andrew's Insurance and St Andrew's Life each takes full responsibility for the whole of this PDS.

Our contact details

St Andrew's can be contacted at:

Post: PO Box 7395 Cloisters Square WA 6850

Telephone: 1300 363 159

Facsimile: 1300 720 722

Email: standrews@standrews.com.au

Website: www.standrews.com.au

IMPORTANT INFORMATION ABOUT THIS DOCUMENT

This is a very important document. Please read this document carefully to ensure you understand the extent of cover provided by Mortgage Protection and its limitations. You should store this document in a safe place for your records and future reference.

In this document some words are printed in bold text and begin with a capital letter, for example **Commencement Date**. These words have special meanings as defined in the Glossary on page 6.

If you apply for Mortgage Protection and we confirm your acceptance in writing, this PDS together with the **Policy Schedule** comprise your **Policy**. Your **Policy** contains all of the terms and conditions of our contract, including when we will pay a benefit under the **Policy** and any exclusions that may apply. If you received this PDS electronically and want to obtain a paper copy, please contact St Andrew's.

The information in this document has been prepared without taking into account your objectives, financial situation or needs. Because of this, before acting on the information in this document, you should consider the appropriateness of this product having regard to your objectives, financial situation and needs.

You may wish to speak to an adviser authorised to provide advice tailored for your personal situation before making a decision to apply for Mortgage Protection.

This PDS can only be used by customers in Australia. In addition to this document, you may also be provided with a Financial Services Guide (FSG) by the person who assists you in arranging this insurance.

The preparation of this document was completed on 1 November 2018.

YOUR CHOICE OF INSURER

You can arrange consumer credit insurance through a different insurer if you wish. This cover is optional and your loan approval is not dependent on you having this type of insurance.

MORTGAGE PROTECTION AT A GLANCE

Mortgage Protection is consumer credit insurance which is designed to cover your repayment obligations on a loan or line of credit facility if an insured event occurs. Insured events include:

1. Life and **Terminal Illness**: for death or diagnosis of a terminal condition;
2. Accident & Sickness: for when becoming **Totally Unfit for Work** as a result of sickness or an **Accident**;
3. Involuntary Unemployment: for involuntary redundancy or involuntarily losing your job.

Mortgage Protection allows you to build a **Policy** that best suits your needs. Providing you meet the eligibility criteria, you can select any combination of insured events to cover (cover types), from either one single cover type, or two, or a package of all three. However, please note, Involuntary Unemployment Cover can only be purchased where Life Cover and/or Accident & Sickness Cover has been purchased and can't be purchased on its own.

After choosing your cover types, you can then select to insure either 100%, 75% or 50% of your **Credit Limit** (total loan amount borrowed on your **Credit Facility**), so you're only paying for the level of protection you want. For example, if you choose to protect 50% of your **Credit Limit**, your **Life Cover Benefit** would be 50% of your **Credit Limit** and any Accident & Sickness or Involuntary Unemployment benefits would be calculated as 50% of the **Monthly Benefit** amount at the time of the claim.

Building your Mortgage Protection Policy

1. Choose your Cover Type/s:
 - a. Life; and or
 - b. Accident & Sickness; and or
 - c. Involuntary Unemployment (not available on its own)

Then

2. Choose your **Percentage of Cover**:
 - a. 100%; or
 - b. 75%; or
 - c. 50%

Insured events are described below:

Cover Type	Insures you	What it does
Life	If you die	Pays a lump sum as shown in your Policy Schedule equal to your Life Cover Benefit . Also includes a Terminal Illness benefit providing an early payment of the Life Cover Benefit in the event of a diagnosed illness with life expectancy of 12 months or less.
Accident & Sickness	If you can't Work due to an Accident or sickness	Pays a Monthly Benefit for up to 36 months or until an overall maximum benefit of \$100,000 has been paid or until you are deemed fit to return to Work for 50% or more of the hours you were working before being certified Totally Unfit for Work (whichever comes first).
Involuntary Unemployment	If you lose your job unexpectedly	Pays a Monthly Benefit for up to 6 months or until an overall maximum benefit of \$100,000 has been paid or until you return to Work for 50% or more of the hours you were working before becoming Unemployed (if you were an employee) or for 20 hours or more (if you were Self-employed), (whichever comes first).

Note maximum benefit limits and periods apply. Refer to pages 31 to 35 for more information.

EXCLUSIONS

This product includes certain exclusions as detailed throughout this document. It is important that you carefully consider these exclusions when deciding whether Mortgage Protection is appropriate for you.

A full list appears in the section titled *When you are not covered (exclusions)* on pages 37 - 44 for each cover type.

CONTENTS

Glossary	6
Am I eligible?	11
How do I apply?	12
Underwriting Questionnaire	12
Joint borrowers	13
Percentage of cover option	14
Your benefit amounts	14
Insured events covered by Mortgage Protection	19
Life Cover/Interim Life Cover	19
Accident & Sickness Cover	21
Involuntary Unemployment Cover	26
Limits on what we pay	31
Insurance Term	36
When does your policy start and end?	36
When you are not covered (exclusions)	37
Pre-existing Conditions exclusion	37
Life Cover	40
Accident & Sickness Cover	41
Involuntary Unemployment Cover	42
Your premium	45
Premium changes	46
Commission	46
Taxation	47
What if I change my mind?	47
Financial hardship	48
Changes to your Policy	48
Reinstating your Policy	49
Your duty of disclosure	49
Risks to consider	50
Claims procedures and obligations	52
How to make a claim	52
Where do we pay benefits?	53
Claiming on a replacement Policy	54
Fraudulent claims	55
Enquiries and complaints	55
Financial Claims Scheme	56
Your privacy	56
Other important information	57
Life Insurance Code of Practice	59
Direct Debit Request – Service Agreement	59

GLOSSARY

Some words have special meanings as described below. These words are identified as such within the document with capitalisation and bold text:

Accident/Accidental means an accidental, external, visible and/or violent occurrence during the **Insurance Term** which causes injury.

Application means the document completed by you or on your behalf and signed by you when applying for Mortgage Protection.

Australian Resident means you have been living lawfully and permanently in Australia for at least the 12 months prior and are an Australian citizen, Australian Permanent Resident, New Zealand citizen or hold an Australian Temporary Visa which entitles you to live and work in Australia for a minimum of 12 months from the date of **Application**. You will cease to be covered by this **Policy** as at the date you no longer permanently reside in Australia.

Commencement Date means the date the loan is disbursed or the date that your **Application** is accepted by us, whichever is the later, as shown in your current **Policy Schedule**.

Congenital Condition means a condition which develops or is known during pregnancy or is diagnosed or known shortly after birth.

Credit Facility means the agreement with the **Lender** in respect of the home loan or line of credit facility bearing the account number set out in your **Application**.

Credit Limit means the amount of credit agreed between you and the **Lender** to be available to you during the term of your **Credit Facility** or such amount as disclosed in your **Application**, whichever is the lesser.

Insurance Term is the period of cover, as stated in your **Policy Schedule** that starts on your **Commencement Date** and ends on the earliest of the dates listed under the section *When does your policy start and end?* on page 36.

Insured Borrower means the borrower under the **Credit Facility**, or in the case of joint cover, the

borrowers under the **Credit Facility**, that are insured by the Mortgage Protection **Policy** and named as such in the **Policy Schedule**.

Lender means the financier of your **Credit Facility** and named as **Lender** in your **Application**.

Life Cover Benefit means the Life or **Terminal Illness** claim benefit payment as an amount shown in your current **Policy Schedule**. The **Life Cover Benefit** is calculated as your **Credit Limit** multiplied by your chosen **Percentage of Cover**.

Monthly Benefit means an Accident & Sickness or Involuntary Unemployment benefit payment which is calculated by multiplying your **Monthly Repayment** by your chosen **Percentage of Cover**.

In the instance where we don't pay a full **Monthly Benefit**, the **Monthly Benefit** is calculated proportionately on a daily basis i.e. **Monthly Benefit**/30 x number of days to be paid.

1. For a home loan, the maximum **Monthly Benefit** is the lesser of:
 - a. \$12,000; or
 - b. 1% of your **Credit Limit** if you have a home loan.
2. For a line of credit facility, the maximum **Monthly Benefit** is \$12,000.

Monthly Repayment means the **Credit Facility** repayment amount from which your **Monthly Benefit** is calculated. Due to the repayment obligation differences between lending facility types, the definition for this amount is dependent on the type of **Credit Facility** applicable to your Mortgage Protection **Policy**:

1. For a home loan, the **Monthly Repayment** is the greater of:
 - a. the minimum monthly repayment on your **Credit Facility**, as advised by your **Lender**, as at the date you are certified **Totally Unfit for Work** or date of **Notification of Unemployment** (as applicable to your **Policy** and claim); and
 - b. the monthly loan repayment as shown in your **Policy Schedule**,

2. For a line of credit facility, the **Monthly Repayment** is 0.75% of the **Credit Limit** as shown in your **Policy Schedule**.

The **Monthly Repayment** applicable to your **Policy** will be shown in your **Policy Schedule**.

Notification of Unemployment means the first indication given to you either verbally or in writing of your impending **Unemployment**, given either by or on behalf of your employer.

Partially Unfit for Work means, as a result of the condition which caused you to be certified **Totally Unfit for Work**, you are unable to return to **Work** for 50% or more of the hours per week you were working immediately before the date you were certified **Totally Unfit for Work**; and you are receiving treatment for that condition from a **Qualifying Medical Practitioner** who certifies you to be **Partially Unfit for Work**.

Percentage of Cover means the proportion of the **Credit Limit** or **Monthly Repayment** you choose to insure. The choice of percentages are 100%, 75% or 50%. The **Percentage of Cover** is used in the calculation of your **Life Cover Benefit** and/or **Monthly Benefit** as relevant to your **Policy**.

Policy means the legal contract between you and us. The PDS current at the time you applied, your **Application**, any future **Application** accepted, the current **Policy Schedule**, and any special conditions, amendments or endorsements make up the **Policy**.

Policy Schedule means the most recent document we send to you titled **Policy Schedule**, specific to your Mortgage Protection **Policy** and this includes any notices we send to you in writing advising of amendments to your **Policy Schedule**.

Pre-existing Condition means an illness, sickness, disability or condition relating to your health, which, in the 5 years prior to the date you applied for your **Policy**, the date you applied to reinstate your **Policy** or the date you applied to increase your cover (but only in relation to that increase):

1. existed or you were aware of, or which a reasonable person in your circumstances could be expected to have been aware of; or

2. you have received medical advice, treatment, diagnosis or care from a **Qualified Medical Practitioner**; or
3. you have experienced symptoms, whether or not diagnosed, or where medical investigations had commenced in respect of those symptoms.

Qualified Medical Practitioner means a person who is legally entitled to practise medicine by virtue of registration with the appropriate authority in the Australian State or Territory in which you reside and who is acceptable to us. This person may not be you or your spouse, de facto spouse, parent, sibling, child or other relative.

Qualifying Period means the period of time from the **Commencement Date** where an insured event will not be covered.

Reduced Employment means as a result of your **Unemployment** you are:

1. not in **Work**; or
2. if you were an employee, you are doing **Work** that is less than 50% of the hours per week you were working immediately before the date you became **Unemployed**; or
3. if you were **Self-employed**, you are doing **Work** that is less than 20 hours per week.

Self-employed includes a person who is a subcontractor or is actively working for remuneration or reward but not as an employee of another.

Terminal Illness means you have a terminal medical condition and have two **Qualified Medical Practitioners** (at least one of them a specialist in the area of the illness or injury) certify that you are suffering from an illness, or have incurred an injury, which in the normal course would result in death within 12 months from the date of the certification.

Totally Unfit for Work means suffering from a condition solely as a result of an **Accident**, illness or disease that occurs or starts during a period when you were in **Work**; and that completely prevents you from doing your **Work** or from doing other **Work** that your experience, education or training enables you to do; and for which you are receiving treatment from a **Qualified Medical Practitioner** who certifies you to be **Totally Unfit for**

Work. To avoid doubt, if you were in more than one type of **Work** (meaning you had more than one job or occupation) at the time of the **Accident**, illness or disease, the condition must completely prevent you from doing any of your **Work** in order for you be **Totally Unfit for Work**.

Unemployed/Unemployment means the termination of your employment by your employer (subject to *When you are not covered (exclusions)* section on pages 37-44) or the situation where you are **Self-employed**, where the business is declared insolvent or has been placed into insolvency administration as a result of business related debts, and you are applying for and making all reasonable efforts to seek **Work**. Where you are:

1. an employee of more than one organisation legally recognised as carrying on business within Australia, the termination of your employment must result in you working less than 50% of the aggregate hours per week you were working immediately prior to the termination in order for you to be considered to be **Unemployed**; or
2. **Self-employed** and an employee of one or more other organisations legally recognised as carrying on business within Australia;
 - a. the termination of your employment; or
 - b. your business being declared insolvent or being placed into insolvency administration);must result in you working less than 20 hours per week in order for you to be considered to be **Unemployed**.

Work means **Self-employed** or employed by an organisation legally recognised as carrying on business within Australia under a contract of employment and working for remuneration or reward. **Work** does not include periods you are on extended unpaid leave or on a workers compensation claim.

In this **Policy**, the following words do not necessarily appear in bold text or begin with a capital letter but they have the special meanings described below:

1. you/your means the borrower under the **Credit Facility**, or in the case of joint cover, the borrowers (or if the context requires, one of them) under the **Credit Facility**.

2. we/us/our in relation to Accident & Sickness Cover (only where the duration of the **Credit Facility** is 3 years or less) and Involuntary Unemployment Cover means St Andrew’s Insurance (Australia) Pty Ltd. Otherwise “we/us/our” means St Andrew’s Life Insurance Pty Ltd.

AM I ELIGIBLE?

You, as the borrower on the **Loan**, and any additional borrowers, are eligible for cover if you are aged 18 years and over and under 61 years of age when you apply for cover and you are an **Australian Resident**.

For Accident & Sickness and Involuntary Unemployment Cover, you also need to be employed as a permanent, casual, **Self-employed**, or fixed-term worker, as outlined in the table below.

Employment Type	Description
Permanent (PAYG) or Casual	<p>You are working on a permanent full time or part time basis, or as a casual employee, and employed by an organisation legally recognised as carrying on business within Australia</p> <p>Casual workers please note:</p> <ol style="list-style-type: none"> 1. For Involuntary Unemployment claims you must have been with your employer for a continuous period of at least 12 months before you are eligible to make a claim. 2. For the purposes of assessing whether you are Partially Unfit for Work or under Reduced Employment, we will use the average number of hours you worked per week during the three months before you became Totally Unfit for Work or Unemployed.
Self-employed	<p>You are a subcontractor or are actively working for remuneration or reward but not as an employee of another. You are working within Australia.</p>

Fixed-term contract

You are working under a fixed-term contract and contracted by an organisation legally recognised as carrying on business within Australia.

Fixed-term contractors please note: For Involuntary Unemployment claims you must have been employed under a fixed-term contract for at least 12 continuous months immediately prior to any claim event, before being eligible to claim.

HOW DO I APPLY?

You can apply for Mortgage Protection at any time by completing an **Application**. An **Application** is available from your **Lender**.

UNDERWRITING QUESTIONNAIRE

If the total of the amounts you insure with St Andrew's and its related companies is \$750,000 or more, you will be required to complete an additional Underwriting Questionnaire.

This questionnaire will ask for details of your medical history, occupation and other relevant information.

The total of the amounts you insure with St Andrew's and its related companies includes the amount of cover:

1. you apply for in your **Application** for this Mortgage Protection **Policy**; and
2. provided under all policies already issued to you or where you are the insured person, by St Andrew's or its related companies.

Important information about the Underwriting Questionnaire

St Andrew's reserves the right to decline your **Application** as a result of the information you provide in the Underwriting Questionnaire, or to accept your **Application** subject to additional terms, conditions or exclusions.

If you are required to complete an Underwriting Questionnaire and St Andrew's accepts your **Application**, the **Pre-existing Condition** exclusion will not apply. Any specific exclusions will be agreed with you in writing and will be listed as exclusions in your **Policy Schedule**.

The remaining terms and exclusions set out within this document will continue to apply.

JOINT BORROWERS

You and any additional borrower/s can apply for cover to be insured on the same **Credit Facility**. To be eligible to apply for Mortgage Protection, each borrower must have a contractual obligation with the **Lender** to meet the repayments on the **Credit Facility**. Each borrower who applies for Mortgage Protection must fulfil the relevant eligibility criteria for Mortgage Protection and if we agree to insure each of you, then you must each pay the applicable premium.

On acceptance of your **Application**, a **Policy Schedule** will be issued to each of you as **Insured Borrowers**. Please note that the benefit limits set out in this **Policy** will apply to each **Insured Borrower** as if each of you were a single entity, even when one or more of you is entitled to claim. If each of you have different benefit entitlements, e.g. different **Percentage of Cover** options or cover types, and both of you are eligible to claim at the same time, then the combined total **Monthly Benefit** cannot exceed:

1. the **Monthly Repayment** for Accident & Sickness or Involuntary Unemployment Cover claims; or
2. 100% of the **Credit Limit** for a Life Cover claim.

Joint borrower example

Ted and Stacy are joint borrowers on their home loan and both decide to apply for Mortgage Protection. Their home loan has a **Credit Limit** of \$600,000 and a **Monthly Repayment** of \$2,800. Both Ted and Stacy apply for Accident & Sickness Cover, with Ted choosing the 50% **Percentage of Cover** option and Stacy choosing the 75% option.

Accepting their **Applications** for cover, Ted's **Policy Schedule** states a **Monthly Benefit** of \$1,400 (being 50% of the \$2,800 **Monthly Repayment** amount) and Stacy's **Policy Schedule** states a **Monthly Benefit** of \$2,100 (being 75% of the \$2,800 **Monthly Repayment** amount).

Some time after their policies commence, Ted and Stacy are involved in a car accident from which they both suffer injuries that render them **Unfit for Work** for more than 30 days.

The combined total of Ted and Stacy's **Monthly Benefit** is \$3,500, which is the sum of Ted's **Monthly Benefit** of \$1,400 and Stacy's **Monthly Benefit** of \$2,100. As this combined amount of \$3,500 exceeds the **Monthly Repayment** on their home loan (\$2,800), any benefits paid will be limited to \$2,800 per month.

Both Ted and Stacy are otherwise able to claim up to the maximum of the limits applicable under their **Policy**.

PERCENTAGE OF COVER OPTION

You can choose to cover all or a proportion of your **Loan** or line of credit facility obligations, with the following options available.

Percentage of Cover options:

1. 100% cover
2. 75% cover
3. 50% cover

Please note, the **Percentage of Cover** option selected will be applicable to all cover types included in your **Policy**, however each **Insured Borrower** may choose their own **Percentage of Cover**.

The **Percentage of Cover** you select will have the effect of defining the amount of **Life Cover Benefit** and/or Accident & Sickness and/or Involuntary Unemployment Cover **Monthly Benefit** you may be entitled to receive. These benefits are described in the *Your benefit amounts* section that follows.

YOUR BENEFIT AMOUNTS

The following table summarises the benefits relevant to Mortgage Protection on a home loan or line of credit facility.

Please note your **Monthly Repayment** definition will vary, depending on the type of lending facility your Mortgage Protection **Policy** relates to. For more information, refer to the definition of **Monthly Repayment** on page 8.

Percentage of Cover	If you select Life Cover	If you select Accident & Sickness Cover and/or Involuntary Unemployment Cover
100%	Life Cover Benefit is equal to 100% of your Credit Limit	The Monthly Benefit is 100% of the Monthly Repayment
75%	Life Cover Benefit is equal to 75% of your Credit Limit	The Monthly Benefit is 75% of the Monthly Repayment
50%	Life Cover Benefit is equal to 50% of your Credit Limit	The Monthly Benefit is 50% of the Monthly Repayment

MORTGAGE PROTECTION ON HOME LOANS

Life Cover

The **Life Cover Benefit** will be a proportion of the mortgage **Credit Limit**, calculated from the **Percentage of Cover** option you choose. This amount is fixed for the **Insurance Term** and will be shown in your **Policy Schedule**.

A maximum overall benefit of \$1,500,000 for all policies issued to you or under which you are insured by St Andrew's and its related companies will apply.

Accident & Sickness Cover and/or Involuntary Unemployment Cover

The **Monthly Benefit** you receive for any Accident & Sickness Cover and/or Involuntary Unemployment Cover claim will be your **Monthly Repayment** multiplied by your chosen **Percentage of Cover**.

For Accident & Sickness and Involuntary Unemployment Covers, the **Monthly Repayment** is the greater of:

1. the minimum monthly repayment on your **Credit Facility**, as advised by your **Lender**, as at the date you are certified **Totally Unfit for Work** or date of **Notification of Unemployment** (as applicable to your **Policy** and claim); or
2. the monthly loan repayment as shown in your **Policy Schedule**;

The **Monthly Benefit** will be capped at the lesser of:

1. \$12,000; or
2. 1% of your **Credit Limit**.

Please note maximum **Monthly Benefit** limits apply as detailed in the *Limits on what we pay* section on page 31. Your **Monthly Benefit** will be shown in your **Policy Schedule**.

Benefit example for Mortgage Protection on a home loan

Sara's mortgage has a **Credit Limit** of \$500,000. She has a Mortgage Protection **Policy** with the following options:

1. Cover types: Life and Involuntary Unemployment Cover
2. **Percentage of Cover** chosen: 50%
3. **Monthly Repayment**: \$3,000

Sara's Mortgage Protection benefits are therefore calculated as:

1. Life Cover = 50% of the **Credit Limit**
= 50% x \$500,000 = \$250,000
2. Involuntary Unemployment Cover
Monthly Benefit = 50% x **Monthly Repayment**
= 50% x \$3,000 = \$1,500

Note that if interest rates have risen from the time your **Policy** commenced, the **Monthly Repayment** will be recalculated as the greater of: the minimum monthly repayment on your **Credit Facility**, as advised by your **Lender**, as at the date of **Notification of Unemployment**, or the monthly loan repayment as shown on your **Policy Schedule**.

MORTGAGE PROTECTION ON LINE OF CREDIT FACILITIES

Life Cover

The **Life Cover Benefit** will be a proportion of the line of credit facility **Credit Limit**, calculated from the **Percentage of Cover** you choose. This amount is fixed for the **Insurance Term** and will be shown in your **Policy Schedule**.

Please note, a maximum overall benefit of \$1,500,000 for all policies issued to you or under which you are insured by St Andrew's and its related companies will apply.

Accident & Sickness Cover and/or Involuntary Unemployment Cover

The **Monthly Benefit** you receive for any Accident & Sickness and/or Involuntary Unemployment Cover claim will be your **Monthly Repayment** multiplied by your chosen **Percentage of Cover**.

For a line of credit facility, the **Monthly Repayment** is defined as a set amount of 0.75% of the **Credit Limit**. Your **Monthly Benefit** will be shown in your **Policy Schedule**.

Please note the **Monthly Benefit** is capped at \$12,000 per month and maximum limits apply as detailed in the *Limits on what we pay* section on page 31.

Benefit example for Mortgage Protection on a line of credit facility

Matt's line of credit facility has a **Credit Limit** of \$400,000. He has a Mortgage Protection **Policy** with the following options:

1. Cover types: Life and Accident & Sickness Cover
2. **Percentage of Cover** chosen: 75%
3. **Monthly Repayment** = $0.75\% \times \$400,000$
= \$3,000

Matt's Mortgage Protection benefits are therefore calculated as:

1. Life Cover = 75% of the **Credit Limit**
= $75\% \times \$400,000 = \$300,000$
2. Accident & Sickness **Monthly Benefit**
= $75\% \times \text{Monthly Repayment of } \$3,000$
= **\$2,250**

INSURED EVENTS COVERED BY MORTGAGE PROTECTION

How does the cover work?

The next few pages provide a bit more information about how each cover type works to help you decide which combination of benefits will be right for you.

LIFE COVER

You have this cover if you have chosen Life Cover and we accept your **Application**.

How it works

Life Cover can provide you and your family with peace of mind knowing that we will pay a **Life Cover Benefit** to your **Credit Facility** if you die or are diagnosed with a **Terminal Illness**.

Please note, there is a 90 day **Qualifying Period** for **Terminal Illness** claims, which means we will not pay a **Life Cover Benefit** if you are diagnosed with a **Terminal Illness** within the first 90 days of the **Insurance Term**.

Life Cover is subject to certain exclusions – which are listed in the section titled *When you are not covered (exclusions)* on page 37.

INTERIM LIFE COVER

Should you die during the period between when you apply for Mortgage Protection and the date your **Credit Facility** settles, we will pay the full amount of your **Life Cover Benefit** as long as:

1. you had already submitted your **Application** for Life Cover; **and**
2. we would have accepted your **Application**.

This is an added benefit and at no additional cost to you. This additional benefit is subject to the normal eligibility, exclusions and maximum amounts, and provided that the period between your **Application** and settlement of your **Credit Facility** is not greater than 180 days.

This insurance is temporary and will end at the earliest of 180 days after approval of your **Credit Facility** by your **Lender** or when your **Credit Facility** settles.

What we will pay

The **Life Cover Benefit** will be equal to your **Credit Limit** multiplied by your chosen **Percentage of Cover**. Your **Life Cover Benefit** amount will be shown in your **Policy Schedule**.

We will only pay up to a maximum of \$1,500,000 as a total amount when added to any other benefits payable under the Life Cover provided under all policies underwritten by St Andrew's and its related companies in respect of you.

That means if you have other Mortgage Protection, Loan Protection or Life policies with St Andrew's, the maximum we will pay for all policies combined is \$1,500,000.

How we pay

We will pay a lump sum benefit, equal to the **Life Cover Benefit** as indicated in your **Policy Schedule** into your **Credit Facility** account. Any **Life Cover Benefit** in excess of the outstanding loan balance will be paid to your estate. Any excess **Terminal Illness** benefit will be paid to you.

Life Cover example

3 years after taking out a home loan and a Mortgage Protection **Policy** with Life Cover, Richard dies as a result of a motor vehicle **Accident**. Richard had taken out 100% cover on his \$750,000 loan, with \$640,000 still outstanding at the time of his **Accident**.

We will pay 100% of Richard's **Life Cover Benefit** of \$750,000. This will cover the \$640,000 required to pay the outstanding balance of his home loan with the remaining \$110,000 being paid directly to his estate.

ACCIDENT & SICKNESS COVER

You have this cover if you have chosen Accident & Sickness Cover type and we accept your **Application**.

How it works

Accident & Sickness Cover allows you to concentrate on getting back on your feet if you are off **Work** due to accidental injury or sickness.

If you become **Totally Unfit for Work** for a continuous period that is more than 30 days, we will pay a **Monthly Benefit** after the first 30 days for up to 36 months.

You will be classified as being **Totally Unfit for Work** due to **Accident** or sickness if you satisfy the conditions set out on page 9 of this document.

There is a 30 day **Qualifying Period** for Accident & Sickness claims, where no claims will be payable if you become **Totally Unfit for Work** for any reason other than due to an **Accident**. This means that you cannot claim for an event that happens within 30 days of you purchasing Accident & Sickness Cover, unless the event is an **Accident**.

This cover is also subject to certain other exclusions – which are listed in the section titled *When you are not covered (exclusions)* section on page 37.

What we will pay

If you suffer an **Accident** or sickness during the **Insurance Term** and are deemed to be **Totally Unfit for Work** for more than 30 days, from day 31 we will pay a **Monthly Benefit** as calculated for each consecutive day you are **Partially Unfit for Work**.

The **Monthly Benefit** is equal to your chosen **Percentage of Cover** multiplied by your **Monthly Repayment**.

If you're **Partially Unfit for Work** for only part of a month, your **Monthly Benefit** for that month will be calculated proportionately, on a daily basis i.e. **Monthly Benefit/30 x number of days**.

Your **Monthly Repayment** means:

For home loans

Your **Monthly Repayment** is the greater of:

1. the minimum monthly repayment as advised by your **Lender** as at the date you are certified **Totally Unfit for Work**; or
2. the monthly loan repayment as shown in your **Policy Schedule**.

For line of credit facilities

Your **Monthly Repayment** is a fixed amount calculated as 0.75% of the original loan amount or **Credit Limit** as shown in your **Policy Schedule**.

We do not pay for the first 30 days of your claim. Your benefit starts to accrue from the 31st day and **Monthly Benefit** payments are made in arrears.

For a home loan, the maximum **Monthly Benefit** is the lesser of:

1. \$12,000; or
2. 1% of your **Credit Limit** if you have a home loan.

For a line of credit facility, the maximum **Monthly Benefit** is \$12,000.

No more than 36 **Monthly Benefits** (whether or not consecutive) for all claims will be paid under this **Policy**.

An overall maximum **Monthly Benefit** of \$12,000 and an overall maximum benefit of \$100,000 applies for all Accident & Sickness claims payable to you under all policies issued to you or under which you are insured by St Andrew's and its related companies.

That means if you have other Mortgage Protection or any other St Andrew's policies and are claiming on each for Accident & Sickness, the maximum we will pay per month for all of them is \$12,000, up to a maximum of \$100,000.

How we pay

There is a 30 day waiting period in which no benefits are payable. The 30 day waiting period commences from the date you become **Totally Unfit for Work** and you must remain **Totally Unfit for Work** for the full 30 day waiting period. Benefits then become payable and start to accrue from the 31st day.

From day 31 we will pay a benefit for each consecutive day that you remain **Partially Unfit for Work**. This benefit payment will be made on a monthly basis in arrears, into your **Credit Facility**, during your period of claim.

This means that together with the 30 day waiting period and any **Monthly Benefits** being paid monthly in arrears, a benefit payment will not be made into your **Credit Facility** for up to 60 days from the date you become **Totally Unfit for Work**, or even longer depending on when you lodge your claim. Because of this delay we suggest you speak to your **Lender** if you are having any financial difficulties in meeting your loan repayments.

When do my benefit payments end?

We will continue to make **Monthly Benefit** payments while you are **Partially Unfit for Work** up until:

1. the date on which you are no longer **Partially Unfit for Work**; or
2. the date on which you return to **Work** for 50% or more of the hours per week you were working immediately before the date you were certified **Totally Unfit for Work**; or
3. the date you fail to provide proof that you are **Totally Unfit for Work** or **Partially Unfit for Work** if we have asked you to do so by that date and you have, without a reasonable excuse, failed to do so; or
4. the date on which we have paid 36 **Monthly Benefit** payments in respect of all claims under your **Policy**; or
5. the date on which we have paid our total maximum payable limit of \$100,000 in respect of all claims under the Accident & Sickness Cover provided

under all policies underwritten by St Andrew's and its related companies in respect of you; or

6. the date your **Insurance Term** ends.

Note that if we stop paying your **Monthly Benefit** because any of the events described in 1, 2 or 3 previously has occurred, then we will not make any further **Monthly Benefit** payments until you have returned to **Work** for a continuous period of at least 30 days (including weekends and public holidays).

Where you are **Partially Unfit for Work** over two periods separated by less than 30 days, we will treat this as a continuation of the prior claim. We will not apply another 30 day waiting period, however the maximum number of benefit payments described previously will apply to the combined claim.

Accident & Sickness Cover example

Stephanie has a mortgage with Mortgage Protection which included Accident & Sickness Cover with a **Percentage of Cover** option of 75%. The **Credit Limit** on her mortgage is \$250,000. The monthly loan repayment shown on Stephanie's **Policy Schedule** is \$1,500. Stephanie works full time (40 hours per week). Six months after the loan commences, in January 2015, Stephanie suddenly injures her lumbar spine and the injury means she is **Totally Unfit for Work**.

She had not previously had any issues with her lumbar spine. She undergoes treatment for her lumbar spine injury and is certified **Totally Unfit for Work** for at least 30 days by her doctor (who is a **Qualified Medical Practitioner**) who also certifies that Stephanie is **Partially Unfit for Work** for a period of 13 months.

At the date of her diagnosis, due to recent increases in mortgage interest rates, the minimum monthly repayment obtained from the **Lender** is \$1,650.

The **Monthly Repayment** applicable to Stephanie's claim is \$1,650, as the minimum monthly payment at the date she is certified **Totally Unfit for Work** is greater than the monthly loan repayment shown on her **Policy Schedule**.

This means that the **Monthly Benefit** is her **Percentage of Cover** option of 75% multiplied by \$1,650 = \$1,237.50.

After the first 30 days, from day 31, we will pay a **Monthly Benefit** into Stephanie's loan account for the remaining 12 months she is **Partially Unfit for Work**. Stephanie returns to **Work** in February 2016 to work 30 hours per week (which is more than 50% of the hours she was working per week immediately prior to being certified **Totally Unfit for Work**). The total benefit paid for this claim is \$14,850.

INVOLUNTARY UNEMPLOYMENT COVER

You have this cover if you have chosen the Involuntary Unemployment Cover type and we accept your **Application**.

How it works

Involuntary Unemployment Cover helps protect your financial security while you focus on finding new **Work**.

If you have Involuntary Unemployment Cover and you become involuntarily **Unemployed** for a continuous period that is more than 30 days, we will pay a benefit payment after the first 30 days for up to 6 months for any one claim. Importantly, when assessing your claim for Involuntary Unemployment Cover, we do not take into consideration any redundancy payout you may have received as a result of you being made **Unemployed**.

We will consider you to be involuntarily **Unemployed** if you are:

1. A Permanent or Casual worker and your employer terminates your employment or makes you involuntarily **Unemployed**.
2. **Self-employed** and you or your business is declared insolvent or has been placed into insolvency administration as a result of business related debts.
3. Employed under a fixed-term contract and your employer terminates your contract early, or makes you involuntarily redundant.

Where you are an employee of more than one organisation legally recognised as carrying on business within Australia, we will consider you to be involuntarily **Unemployed** if the termination of your employment results in you working less than 50% of the aggregate hours per week you were working immediately prior to the termination. Where you are **Self-employed** and also an employee of one or more other organisations legally recognised as carrying on business within Australia, we will consider you to be involuntarily **Unemployed** if the termination of your employment (or your business being declared insolvent or being placed into insolvency administration) results in you working less than 20 hours per week.

If you applied for, or purchased Involuntary Unemployment Cover, either before or within the first 60 days of your **Credit Facility** commencing, there is a 30

day **Qualifying Period**. This means that you cannot claim for an event that happens within 30 days of you purchasing Involuntary Unemployment Cover.

If you applied for, or purchased Involuntary Unemployment Cover more than 60 days after the **Credit Facility** is funded, your **Qualifying Period** is 120 days after the commencement of your new cover. This means that you cannot claim for an event that happens within 120 days of you purchasing Involuntary Unemployment Cover.

This cover is also subject to certain exclusions – which are listed in the section *When you are not covered (exclusions)* on page 37.

What we will pay

If you become **Unemployed** during the **Insurance Term** for a continuous period that is more than 30 days, from day 31 we will pay a **Monthly Benefit** as calculated below for each consecutive day you are under **Reduced Employment**.

The **Monthly Benefit** is equal to your chosen **Percentage of Cover** multiplied by your **Monthly Repayment**.

If you're under **Reduced Employment** for only part of a month, your **Monthly Benefit** for that month will be calculated proportionately, on a daily basis from the **Monthly Benefit**. i.e. $\text{Monthly Benefit} / 30 \times \text{number of days}$.

Your **Monthly Repayment** means:

For home loans

Your **Monthly Repayment**; is the greater of:

1. the minimum monthly repayment as advised by your **Lender** as at the date of **Notification of Unemployment**; or
2. the monthly loan repayment as shown in your **Policy Schedule**.

For line of credit facilities

Your **Monthly Repayment** is a fixed amount calculated as 0.75% of the original loan amount or **Credit Limit** as shown in your **Policy Schedule**.

We do not pay for the first 30 days of your claim. Your benefit starts to accrue from the 31st day after becoming **Unemployed**, and **Monthly Benefit** payments are made in arrears.

For a home loan, the maximum **Monthly Benefit** is the lesser of:

1. \$12,000; or
2. 1% of your **Credit Limit** if you have a home loan.

For a line of credit facility, the maximum **Monthly Benefit** is \$12,000.

No more than 6 **Monthly Benefits** per claim and within any 12 month period will be payable. No more than 24 **Monthly Benefits** for all claims will be paid under this **Policy**.

An overall maximum **Monthly Benefit** of \$12,000 and an overall maximum benefit of \$100,000 for all Involuntary Unemployment claims payable to you under all policies issued to you or under which you are insured by St Andrew's and its related companies.

That means if you have other Mortgage Protection or any other St Andrew's policies and are claiming on each for an Involuntary Unemployment claim, the maximum we will pay per month for all of them is \$12,000, up to a maximum of \$100,000.

How we pay

There is a 30 day waiting period in which no benefits are payable. The 30 day waiting period commences from the date you become **Unemployed** and you must remain under **Reduced Employment** for the full 30 day waiting period. Benefits then become payable and start to accrue from the 31st day.

From day 31 we will pay a **Monthly Benefit** for each consecutive day that you remain under **Reduced Employment**. This benefit payment will be made on a monthly basis in arrears, into your **Credit Facility**, during the benefit period.

This means that in consideration of the 30 day waiting period and any **Monthly Benefits** being paid monthly in arrears, a benefit payment will not be made into your **Credit Facility** for up to 60 days from the date you become **Unemployed**. Because of this delay we suggest you speak to your **Lender** if you are having any financial difficulties in meeting your loan repayments.

When do my benefit payments end?

We will continue to make **Monthly Benefit** payments while you are under **Reduced Employment** up until:

1. the date which you cease to be under **Reduced Employment**; or
2. the date you fail to provide proof that you are **Unemployed** or under **Reduced Employment** if we have asked you to do so by that date and you have, without a reasonable excuse, failed to do so; or
3. the date on which we have made 6 consecutive **Monthly Benefit** payments in respect of any one claim; or
4. the date on which we have made 6 **Monthly Benefit** payments within any 12 month period; or
5. the date on which we have paid 24 **Monthly Benefit** payments in respect of all claims under this **Policy**; or
6. the date on which we have paid our total maximum payable limit of \$100,000 in respect of all claims under the Involuntary Unemployment Cover provided under all policies underwritten by St Andrew's and its related companies in respect of you; or
7. the date the **Insurance Term** ends.

Note that if we stop paying the **Monthly Benefit** because any of the events described in 1 or 2 above has occurred, then we will not open a new claim until you have returned to **Work** for a continuous period of at least 180 days (including weekends and public holidays).

If you are under **Reduced Employment** over two periods separated by less than 180 days, we will treat this as a continuation of the prior claim. We will not

apply another 30 day waiting period, however the maximum number of benefit payments described on page 26 will apply to the combined claim.

Involuntary Unemployment Cover example

Lisa has a home loan with a minimum loan repayment of \$2,400 per month. Lisa took out Mortgage Protection and included Involuntary Unemployment Cover with a **50% Percentage of Cover** option in her **Policy**. The monthly loan repayment shown on Lisa's **Policy Schedule** is \$2,400. Lisa is employed on a permanent basis. 9 months after taking out her cover Lisa's employer goes through a restructure and she is made involuntarily redundant. At the time Lisa is notified of her **Unemployment**, her minimum monthly repayment under her loan agreement, as advised by her **Lender** is still \$2,400. Previously to being made involuntarily redundant, Lisa was working 34 hours per week. After 2 months Lisa is able to find new employment but it is only part-time for 12 hours per week. After another four months, Lisa is moved to a full-time position and commences working 40 hours per week.

After the first 30 days, from day 31, we will pay **5 Monthly Benefits** equal to the **Monthly Benefit** amount of 50% of \$2,400 per month (\$1,200), into Lisa's loan account for the remaining 5 months Lisa is under **Reduced Employment**. The total benefit paid for this claim is \$6,000.

LIMITS ON WHAT WE PAY

Cover	Benefit Payable
Life & Terminal Illness	<p>We will pay a benefit amount equal to the Life Cover Benefit as shown in your Policy Schedule, up to a maximum overall benefit of \$1,500,000 for all policies issued to you or under which you are insured by St Andrew's and its related companies.</p> <div data-bbox="405 668 910 1491" style="border: 1px solid blue; padding: 10px;"><p>Example Katrina has a \$450,000 home loan and purchased Mortgage Protection with Life Cover with a 50% Percentage of Cover option. Her Life Cover Benefit is equal to $50\% \times \\$450,000 = \\$225,000$.</p><p>Tragically, within just a few months of the loan settling, Katrina passed away as a result of a sudden Accident.</p><p>St Andrew's will pay a total Life Cover Benefit of \$225,000.</p></div>

Cover	Benefit Payable
Accident & Sickness Cover	<p>No more than 36 Monthly Benefits (whether or not consecutive) will be paid under this Policy.</p> <ol style="list-style-type: none"> 1. For a home loan, the maximum Monthly Benefit is the lesser of: <ol style="list-style-type: none"> a. \$12,000; or b. 1% of your Credit Limit. 2. For a line of credit facility, the maximum Monthly Benefit is \$12,000. <p>An overall maximum Monthly Benefit of \$12,000 and an overall aggregated maximum benefit of \$100,000 applies for all Accident & Sickness claims payable to you under all policies issued to you or under which you are insured by St Andrew's and its related companies.</p>

Cover	Benefit Payable
<p>Accident & Sickness Cover (continued)</p>	<p>Example</p> <p>Matthew has a Mortgage Protection Policy with Accident & Sickness Cover with the 50% Percentage of Cover option.</p> <p>Matthew has a home loan of \$700,000 and his minimum monthly repayment is \$5,000, as shown in his Policy Schedule. 18 months following the loan and Policy commencement, Matthew falls ill and is Partially Unfit for Work for an extended period. Due to a decrease in his loan interest rate, at the date he was certified Totally Unfit for Work, his minimum monthly loan repayment has reduced to \$4,800.</p> <p>The Monthly Benefit will be 50% of the greater of:</p> <ol style="list-style-type: none"> 1. The minimum monthly repayment as at the date certified Totally Unfit for Work = \$4,800; or 2. The monthly loan repayment indicated in his Policy Schedule = \$5,000. <p>The greater amount is the monthly loan repayment indicated on his Policy Schedule, so the benefit paid would be 50% of \$5,000 = \$2,500 per month for up to the maximum period and benefit amount provided for under his Policy.</p>

Cover	Benefit Payable
Involuntary Unemployment Cover	<p>No more than 24 Monthly Benefits (whether or not consecutive) will be paid under this Policy.</p> <ol style="list-style-type: none"> 1. For a home loan, the maximum Monthly Benefit is the lesser of: <ol style="list-style-type: none"> a. \$12,000; or b. 1% of your Credit Limit. 2. For a line of credit facility, the maximum Monthly Benefit is \$12,000. <p>An overall maximum Monthly Benefit of \$12,000 and an overall aggregated maximum benefit of \$100,000 applies for all Involuntary Unemployment claims payable to you under all policies issued to you or under which you are insured by St Andrew's and its related companies.</p>

Cover	Benefit Payable
<p>Involuntary Unemployment Cover (continued)</p>	<p>Example</p> <p>Sally has a Mortgage Protection Policy with Involuntary Unemployment Cover with the 100% Percentage of Cover option.</p> <p>Sally has a home loan of \$200,000 and her monthly loan repayment is \$1,000, as shown in her Policy Schedule. 8 months following the loan and Policy commencement, Sally is made involuntarily Unemployed. Due to an increase in her loan interest rate, at the date she was made redundant her minimum monthly loan repayment has increased to \$1,100.</p> <p>The Monthly Benefit will be 100% of the greater of:</p> <ol style="list-style-type: none"> 1. The minimum monthly repayment as at the date of Notification of Unemployment = \$1,100; or 2. The monthly loan repayment indicated in her Policy Schedule = \$1,000. <p>The greater amount is the minimum monthly loan repayment as at the date of Notification of Unemployment so the benefit paid would be 100% of \$1,100 = \$1,100 per month for up to the maximum period and benefit amount provided for under her Policy.</p>

INSURANCE TERM

The **Insurance Term** is outlined in your **Application** and confirmed in your **Policy Schedule**.

Your **Policy** will expire on the date indicated in your **Policy Schedule** or if one of the events occur as described in the *When does your policy start and end?* section below.

If you choose to finance the premium into your loan or line of credit facility, you may choose an **Insurance Term** of between 1 and 5 years (in one year increments). Your **Policy** will expire at the end of your chosen term unless it is terminated on an earlier date.

Prior to the **Insurance Term** on your **Policy** expiring, you will be provided an invitation to continue your **Policy** on a monthly direct debit basis, with the same **Policy** terms and conditions of your expiring **Policy**.

If you have chosen to pay your premium on a direct debit basis there is no fixed **Insurance Term** and your **Policy** will continue until one of the events occurs as described in the *When does your policy start and end?* section below.

WHEN DOES YOUR POLICY START AND END?

Your **Policy** will start on the **Commencement Date** as shown in your **Policy Schedule**.

Your **Policy** will end on the earliest of the following dates:

1. the date you die; or
2. the date on which a **Terminal Illness** benefit is paid; or
3. the date you reach 65 years of age; or
4. the expiry date for the cover as shown in your **Policy Schedule**; or
5. the date on which you cease to reside permanently in Australia; or
6. the date your **Policy** is cancelled for any of the reasons listed on page 47 of this **Policy**; or

7. the date your **Policy** is cancelled following receipt by us of 30 days written notice from you; or
8. the date we have paid our maximum benefits payable under the **Policy** in respect of Life Cover or **Terminal Illness** Cover; or
9. the date your **Loan** is repaid or otherwise terminated.

Please note that in the case of multiple borrowers on your **Credit Facility**, conditions 1, 2, 3 and 5 will be applied separately to each **Insured Borrower**.

Where the maximum benefits have been paid under the Involuntary Unemployment or Accident & Sickness Covers, the **Policy** will continue, with any remaining covers continuing to be provided.

Line of Credit Facilities

Please note, even if your line of credit facility has a zero or positive balance, you will continue to be entitled to receive any eligible claim benefits. You must notify us in writing if you wish to cancel your **Policy**.

WHEN YOU ARE NOT COVERED (EXCLUSIONS)

To ensure our products remain affordable, there are certain conditions or events we do not cover. It's important to understand when we don't pay – in particular for a disability or death resulting from a **Pre-existing Condition**.

Pre-existing Conditions exclusion

We will not pay a Life Cover and/or Accident & Sickness benefit under the **Policy** if you die or become **Totally Unfit for Work** as a result, directly or indirectly of a **Pre-existing Condition** (see explanation on page 38).

If you are required to complete an Underwriting Questionnaire and St Andrew's accepts your **Application**, the **Pre-existing Condition** exclusion will not apply.

What is a Pre-existing Condition?

Pre-existing Condition means an illness, sickness, disability or condition relating to your health, which, in the 5 years prior to the date you applied for your **Policy**, the date you applied to reinstate your **Policy** or the date you applied to increase your cover (but only in relation to that increase):

1. existed or you were aware of, or which a reasonable person in your circumstances could be expected to have been aware of; or
2. you have received medical advice, treatment, diagnosis or care from a **Qualified Medical Practitioner**; or
3. you have experienced symptoms, whether or not diagnosed, or where medical investigations had commenced in respect of those symptoms.

However, it is important to note that we will not pay a Life Cover and/or Accident & Sickness benefit under the **Policy** for some health conditions at all. Health conditions for which no benefit is payable are **Congenital Conditions** (see below explanation), the recurrence of a previous malignant cancer or cancer confirmed to be a metastases (spreading) of the original primary cancer, any health related conditions listed in the *When you are not covered (exclusions)* section for each cover type starting on page 37 and any other specific exclusions agreed with you in writing and listed as an exclusion on your **Policy Schedule**.

What is a Congenital Condition?

A **Congenital Condition** means a condition which develops or is known during pregnancy or is diagnosed or known shortly after birth.

Life Cover Pre-existing Condition example:

Sue is diagnosed with emphysema in 2012. Sue applies for a Mortgage Protection **Policy** in 2015. After the **Policy** commences, Sue passes away as a result of emphysema. As Sue was first diagnosed with emphysema within the 5 years prior to the date she applied for her **Policy**, it is a **Pre-existing Condition** so no claim would be paid.

Accident & Sickness Cover Pre-existing Condition example:

In 2013, John is diagnosed with a disc protrusion of the lumbar spine. In 2015, he applies for a Mortgage Protection **Policy** that includes Accident & Sickness Cover. In 2016 John is **Totally Unfit for Work** due to the disc protrusion of the lumbar spine and makes an Accident & Sickness claim. As the reason for the claim related to his lumbar spine condition, which was first diagnosed in the 5 years before the date he applied for his **Policy**, it is a **Pre-existing Condition** and the claim is not covered by his **Policy**.

Increase in Life Cover Pre-existing Condition example:

In 2012, Peter applies for and is issued a Mortgage Protection **Policy** that includes Life Cover. At the time he applies, Peter had a home loan of \$300,000. In 2015, Peter is diagnosed with a heart condition. In 2016, Peter applies to increase the amount under his Mortgage Protection **Policy**, as his home loan has increased to \$500,000. Peter passes away in 2017 as a result of the heart condition. A claim for Life Cover is made.

As his death was caused by his heart condition, which occurred less than 5 years before he applied for the increase in his Mortgage Protection **Policy**, the benefit payable would exclude the increase (\$200,000) he applied for in 2016 and the maximum life benefit would therefore be the original loan amount of \$300,000.

LIFE COVER

We will not pay a **Life Cover Benefit** under this **Policy** if your reason for claiming is directly or indirectly due to:

1. a **Congenital Condition**; or
2. the recurrence of a previous malignant cancer or cancer confirmed to be a metastases (spreading) of the original primary cancer, which existed, or you were aware of, at any time prior to:
 - a. the date you applied for your **Policy**; or
 - b. the date you applied to reinstate your **Policy**; or
 - c. the date you applied to increase your cover (but only in relation to that increase).

We will also not pay a **Life Cover Benefit** under this **Policy**, if:

3. you have reached 65 years of age; or
4. you have reached the total maximum benefit limits payable under the Life Cover provided under this and all policies underwritten by St Andrew's and its related companies in respect of you; or
5. your reason for claiming is due to the diagnosis of a **Terminal Illness** within the first 90 days of the **Commencement Date** of this **Policy**; or
6. your reason for claiming is, directly or indirectly due to:
 - a. a **Pre-existing Condition**; or
 - b. a specific exclusion agreed with you in writing and listed as an exclusion in your **Policy Schedule**; or
 - c. suicide within the first 13 months of the **Commencement Date** of this **Policy**; or
 - d. **war** (whether declared or not) or war-like activity, or taking part in a riot or civil commotion;
 - e. you engaging in any criminal activities or illegal acts.

ACCIDENT & SICKNESS COVER

We will not pay an Accident & Sickness benefit under this **Policy** if your reason for claiming is directly or indirectly due to:

1. a **Congenital Condition**; or
2. the recurrence of a previous malignant cancer or cancer confirmed to be a metastases (spreading) of the original primary cancer, which existed, or you were aware of, at any time prior to:
 - a. the date you applied for your **Policy**; or
 - b. the date you applied to reinstate your **Policy**; or
 - c. the date you applied to increase your cover (but only in relation to that increase).

We will also not pay an Accident & Sickness benefit under this **Policy**, if:

3. you have reached 65 years of age; or
4. you were not in **Work** as at the date you became **Totally Unfit for Work**; or
5. you become **Totally Unfit for Work** within the first 30 days of the **Insurance Term**, except where you became **Totally Unfit for Work** due to an **Accident**; or
6. we are currently paying a claim under the Involuntary Unemployment Cover of this **Policy**; or
7. we ask you to attend an examination by a **Qualified Medical Practitioner** of our choice and you fail to do so; or
8. you fail to follow the prescribed treatment plan as advised by your treating **Qualified Medical Practitioner**; or
9. you have reached the total maximum benefit limits payable under the Accident & Sickness Covers provided under this and all policies underwritten by St Andrew's and its related companies in respect of you; or

10. you become **Totally Unfit for Work** directly or indirectly as a result of:
- a. a **Pre-existing Condition**; or
 - b. a specific exclusion agreed with you in writing and listed as an exclusion in your **Policy Schedule**; or
 - c. your consumption of drugs (unless it was under the direction of a **Qualified Medical Practitioner** and not in connection with the treatment for drug addiction or dependence); or
 - d. your consumption of alcohol (as an example, driving under the influence); or
 - e. engaging in any criminal activities or illegal acts; or
 - f. war (whether declared or not) or war-like activity, or taking part in a riot or civil commotion; or
 - g. intentionally self-inflicted bodily injury or attempted suicide; or
 - h. musculoskeletal conditions unless there is radiological or other sufficient diagnostic evidence of medical abnormality; or
 - i. childbirth, pregnancy, miscarriage, abortion or any complications arising from any of these; or
 - j. any psychotic or psycho-neurotic illness, mental or nervous disorder or stress or stress related condition, unless the condition has been diagnosed by a **Qualified Medical Practitioner** and you are under the continued supervision of and receiving treatment from a **Qualified Medical Practitioner**.

INVOLUNTARY UNEMPLOYMENT COVER

We will not pay an Involuntary Unemployment benefit under this cover, if:

1. You have reached 65 years of age; or
2. You received **Notification of Unemployment** (whether verbally or in writing) or you become **Unemployed**:

- a. before the **Insurance Term** commences; or
 - b. within the first 30 days of the **Insurance Term**; or within the first 120 days if your **Application** is made 60 days or more after your **Credit Facility** commences; or
3. Immediately before you became **Unemployed**:
- a. you were engaged in an occupation in relation to which becoming **Unemployed** is a regular or recurring feature, for example seasonal employment; or
 - b. you were employed and receiving a salary by a company or by any other employer controlled by your spouse, de facto spouse, parent, sibling or child; or
 - c. you were employed on a temporary basis or employed by an employer for a specific task or job and the completion of this task or job has resulted in your **Unemployment**; or
 - d. if **Self-employed**, you lose or do not maintain relevant licenses, authorisation or permits required to operate the business, including, but not limited to, drivers licence, trade or professional certification; or
 - e. if employed as a casual or fixed-term contract worker, you were employed for a period of less than 12 months with the same employer; or
4. You are **Unemployed** directly or indirectly as a result of:
- a. dismissal following formal disciplinary procedures brought against you by your employer; or
 - b. instant dismissal due to your serious misconduct including, but not limited to, theft, assault, intoxication, or fraud; or
 - c. your voluntary decision to leave your employment or voluntarily terminate your fixed-term contract; or

- d. your refusal of any offer of reasonable alternative employment by your employer, which by reason of your qualifications and previous experience and the location of such employment, it would have been reasonable for you to accept; or
- e. the conclusion of a probation period after which your employment was not continued; or
- f. a strike or labour dispute; or
- g. engaging in any criminal activities or illegal acts; or
- h. your consumption of drugs (unless it was under the direction of a **Qualified Medical Practitioner** and not in connection with the treatment for drug addiction or dependence) or;
- i. your consumption of alcohol (as an example, driving under the influence).

The exclusions in 4a and 4b above will not apply in the event that the dismissal is found to be unfair or unreasonable by the Fair Work Ombudsman or an appropriate court or tribunal.

- 5. We are currently paying a claim under the Accident & Sickness Cover of this **Policy**; or
- 6. Where you are **Self-employed**, at any time prior to or within the first six months from your **Application**, your business was served with any document to commence proceedings or process for you or your business to be placed in any form of insolvency administration for business-related debts; or
- 7. You are unable to demonstrate that you have made all reasonable efforts to seek **Work** since becoming **Unemployed**; or
- 8. You have reached the total maximum benefit limits payable under the Involuntary Unemployment Cover provided under this and all policies underwritten by St Andrew's and its related companies in respect of you.

YOUR PREMIUM

The premium that you will be charged depends on the following factors:

1. the cover type you have chosen i.e. Life Cover and/or Accident & Sickness Cover and/or Involuntary Unemployment Cover. The more cover types you select, the greater the premium;
2. the amount of your loan or **Credit Limit**. The larger the amount, the greater the premium;
3. the **Percentage of Cover** option selected i.e. 100%, 75% or 50%. The larger the percentage, the greater the premium;
4. your age at **Policy** commencement. In general, the premium increases as you get older;
5. if financing your premium by your loan, the **Insurance Term**. The longer the **Insurance Term**, the greater the premium; and
6. your payment type, depending on whether you choose to pay by direct debit or an upfront, single premium. A single premium may be lower than a premium paid in instalments by direct debit. Please refer to the information on this page for further details regarding paying by a single premium versus paying by direct debit.

You will be provided with a quote taking into account these factors prior to applying for Mortgage Protection.

Mortgage Protection is available for more than one borrower. Where joint cover is chosen, the rating factors on this page apply to each borrower.

The **Policy Schedule** confirms the method of payment you have chosen for your premium. Available payment methods include direct debit or a once only upfront payment financed by your loan or line of credit facility.

Direct debit

St Andrew's will accept premiums by monthly direct debit from bank accounts or credit cards. A minimum premium of \$15 per month is applicable. If paying your premium by direct debit, please refer to the Direct Debit Request – Service Agreement on page 59.

Single premium financed by your Credit Facility

If your premium is paid from the proceeds of your **Credit Facility** (e.g. financed by your loan), it will be paid as a single, upfront payment on the date of settlement and will provide cover for the **Insurance Term** as shown in your **Application** and **Policy Schedule** (to a maximum of 5 years). Please note that if you finance your premium by your loan, you will be charged interest on the amount borrowed by your **Lender**.

An insurance company may not retain all of the premium that has been paid by a customer. In addition to any commission paid to a distributor, there are a number of statutory charges and taxes that may be included in an insurance premium. These include:

1. Stamp Duty
2. Goods & Services Tax

Please note these charges are automatically included in any premium quoted to you and is not an additional charge to you.

PREMIUM CHANGES

We may review our premium rates for our policies from time to time and as a result, premiums may increase. Premium rates will only increase if we review all our rates for a type of policy within the same series (for example, all our Mortgage Protection rates). Your premium is otherwise fixed at the amount agreed at the time of **Application**, and will not increase annually with your age. We will not single you out for an increase in premiums. We will send a written notice of any change in your premium to the address you last notified us of at least 30 days before the effective date of the change.

COMMISSION

For any Mortgage Protection **Policy** sold, St Andrew's will pay a maximum commission of up to 20% of the premium payable by you, excluding any government charges and taxes. This amount is paid to the distributor of the product. Any commission we pay is included in the premium you pay, and is not an additional charge to you.

TAXATION

In most cases your premium will not be tax deductible and tax will not be payable on any benefit paid under your **Policy**. However, there may be exceptions and it is possible that you may be able to claim a tax deduction on your premium and that tax may be payable on a benefit paid under this **Policy** or both. We recommend that you consult your accountant or financial adviser for any taxation implications of taking out Mortgage Protection.

WHAT IF I CHANGE MY MIND?

You can cancel your **Policy** at any time by sending us a cancellation request either in writing (refer to page 1 for our postal address) or via the phone on 1300 363 159.

Cooling off period

If you are not completely satisfied with your **Policy**, you can cancel it within the first 30 days of the **Commencement Date**. Cancellations can be made either in writing (refer to page 1 for our postal address) or via the phone on 1300 363 159. If you cancel within this period we will refund all premiums paid in full unless a claim has been made.

After the first 30 days:

Premium paid by direct debit

Please note that if you pay your premium by direct debit and you close your **Credit Facility**, you must give us 30 days' notice asking us to cancel your **Policy**. Your **Policy** will not be automatically cancelled on closure of your **Loan**. No refunds are provided for payments made via direct debit as payments are made in arrears.

Single premium funded by your Credit Facility

If your premium was financed by your **Credit Facility** and you cancel your **Policy** after the 30 day cooling off period for any reason, St Andrew's will provide a proportional rebate of your premium (less stamp duty) based on the term remaining on your **Policy**.

Example premium refund calculation:

If your financed-in premium (less stamp duty) was \$2,000 and your **Policy** has an **Insurance Term** of 60 months and you cancelled it after 36 months, the premium refund would be:

$$\begin{aligned} \text{Premium Refund} &= \\ &\text{Premium} \times \\ &\frac{(\text{Initial } \mathbf{Insurance\ Term} - \text{Current Term})}{\text{Initial } \mathbf{Insurance\ Term}} \\ &= \$2,000 \times \frac{(60 - 36)}{60} \\ &= \$800 \end{aligned}$$

Please note: Any refund due is paid to your **Lender** to be credited to your **Credit Facility**.

FINANCIAL HARDSHIP

In the event that you are facing financial hardship and have difficulties meeting your monthly premium payment obligations please contact us on 1300 363 159 to discuss the options which are available to you.

CHANGES TO YOUR POLICY

Changes to your Credit Facility

In the event that you change the amount of your loan, your cover amount will not automatically change. If you don't change the cover accordingly, we will continue to cover you based on the original terms of your **Policy** as stated in your **Policy Schedule**.

Changes to your cover

You can apply to increase or decrease your cover amount, change the **Percentage of Cover** or, add or remove your selected cover types by contacting us on 1300 363 159. If we accept your **Application** we will notify you in writing and any eligibility conditions, exclusions and waiting periods will apply to the new cover as if it were a new **Policy**.

If you add Involuntary Unemployment Cover more than 60 days after the date your **Credit Facility** commences, your **Qualifying Period** is 120 days after the commencement of your new cover. This means that you cannot claim for an event that happens within 120 days of you purchasing Involuntary Unemployment Cover.

REINSTATING YOUR POLICY

If your **Policy** is cancelled due to non-payment of premium or on the expiry of the **Policy**, you have 30 days from the date of cancellation or expiry to notify us in writing that you would like to reinstate your **Policy**. We have absolute discretion whether to accept or decline your request and we may ask you to back-pay any premiums you may have missed prior to agreeing to reinstate your **Policy**. If we reinstate your **Policy** it will continue on the original **Policy** conditions unless otherwise stated in your **Policy Schedule**.

YOUR DUTY OF DISCLOSURE

In this section “you” includes yourself and anyone else to be covered by the **Policy**.

What you must tell us

Before you enter into a contract of insurance with us, you have a duty of disclosure under the *Insurance Contracts Act 1984 (Cth)*.

When answering our questions, you must tell us anything known to you, and which a reasonable person in the circumstances would include in answer to the questions. You must also be truthful. We will use the answers in deciding whether to insure you and on what terms.

Your duty of disclosure continues until we agree to insure you.

Who needs to tell us?

It is important that you understand you are answering our questions for yourself and anyone else to be covered by the **Policy**.

If you do not tell us

With respect to cover that is not life insurance, if you fail to comply with your duty of disclosure, we may reduce our liability under the contract in respect of a claim, or cancel the **Policy**, or both.

For cover that is life insurance, we may consider whether your cover is constituted by separate contracts of life insurance and apply our rights separately to each type of cover. If you do not tell us anything you are required to, and we would not have insured you if you had told us, we may avoid the contract within 3 years of entering into it. If we choose not to avoid the contract, we may, at any time, reduce the amount you have been insured for by using a formula that takes into account the premium that would have been payable if you had told us everything you should have. If the contract provides cover on death, we may only exercise this right within 3 years of entering into the contract.

If we choose not to avoid the contract or reduce the amount you have been insured for, we may, at any time vary the contract in respect of a claim. This right does not apply if the contract provides cover on death.

In any case, if you fail to comply with your duty of disclosure and the failure was fraudulent, we may avoid the contract at any time and refuse to pay a claim.

RISKS TO CONSIDER

There are some risks if you take out Mortgage Protection. The most significant risks are that:

1. a benefit may not be payable under this insurance because a **Pre-existing Condition** or other exclusion applies, or you did not satisfy your duty of disclosure; or
2. the benefit we pay may be insufficient to meet your repayments under your **Credit Facility**. This may occur if your minimum loan repayments or loan amount exceed the maximum benefits as set out on pages 31-35 or as a result of the **Percentage of Cover** option you choose being less than 100%; or

3. receiving claim payments may impact your entitlement for other benefits or income you may receive including but not limited to:
 - a. where more than one **Insured Borrower** is claiming simultaneously for Accident & Sickness or Involuntary Unemployment, the maximum benefit is limited to the **Monthly Repayment** for any month.
 - b. where we will not pay a claim under the Accident & Sickness Cover if we are paying benefit payments under the Involuntary Unemployment Cover of this **Policy** and vice versa.
 - c. any benefit amounts payable under other insurance policies you have may reduce if a claim is paid under this **Policy**.

CLAIMS PROCEDURES AND OBLIGATIONS

HOW TO MAKE A CLAIM

Our claims process is designed to be as simple as possible. There's a simple two-step process to lodge a claim:

1. **Call us on 1300 653 751**

If you wish to claim on this **Policy** you will need to call us as soon as possible after the event giving rise to the claim. We will log your call and send you a claim form to complete and return to us.

2. **Complete the claim form and return to us at:**

St Andrew's Australia

PO Box 7395

Cloisters Square WA 6850

Or

Facsimile: 1300 720 722

Or

Email: claims@standrews.com.au

After receiving your claim, St Andrew's will then contact you within 3-5 working days to take you through the next steps in the claims process.

For Life Cover claims

Your personal representative (or the person making the claim under this **Policy**) must provide us with an original or certified copy of the death certificate and such records or evidence of your identity and medical history as we may reasonably require.

For Accident & Sickness and Involuntary Unemployment Cover claims

You will be required to provide proof of employment as at the date you became **Totally Unfit for Work** or the date of **Notification of Unemployment**. You must at your own expense provide to us any information and proof that we may reasonably require.

For instance, if you become **Unemployed**, you must provide a statement from your former employer indicating how you became **Unemployed** together with being able to demonstrate you have made all

reasonable efforts to seek **Work** since becoming **Unemployed**.

If we agree to pay your claim, you will be required to obtain at your expense, any information and proof as we require from your **Lender** detailing appropriate information about your **Credit Limit** to allow us to process your claim payment to your **Lender**.

So long as you are **Partially Unfit for Work** or under **Reduced Employment** and we are paying a **Monthly Benefit**, you must, at your own expense, provide to us such proof that you remain **Partially Unfit for Work** or under **Reduced Employment** as we may reasonably require.

For Accident & Sickness claims if we ask you to attend a medical examination by a **Qualified Medical Practitioner**, you must do so. We will advise you of our preferred **Qualified Medical Practitioner** however, if you request, you can choose from a list of practitioners we nominate, however this may cause delays to your claim. We will pay for such an examination.

For Involuntary Unemployment claims

You will be required to provide us with information and proof that you are actively seeking **Work**. This information could include evidence of you regularly applying for **Work** as suitable to your education, training and previous experience.

If you are **Self-employed** you will be required to provide us with proof of insolvency or appointment of an insolvency administrator.

WHERE DO WE PAY BENEFITS?

All claim payments will be made by St Andrew's to your **Lender** to be applied directly to your **Credit Facility**. In the case of a **Life** or **Terminal Illness** payment, once the outstanding loan balance has been paid any residual benefit amount will be paid either to you (in respect of a **Terminal Illness** benefit) or to your estate (in respect of the **Life Cover Benefit**).

We will pay claim benefits in Australian dollars only. Any unpaid premiums due to us will be deducted from any benefit payment made.

CLAIMING ON A REPLACEMENT POLICY

In the event that you have held a **Policy** with us previously that has been cancelled and replaced with this **Policy**, with respect to any increase in cover it is important for you to understand how we will treat **Qualifying Periods** and also **Pre-existing Conditions**.

Qualifying Periods

Qualifying Periods apply in respect of the increased benefit amount under your new **Policy**. This means if you have a successful claim between the commencement of your new **Policy** and before the **Qualifying Period** is over, any amount payable will be capped at the benefit limits applicable under your previous **Policy**.

Pre-existing Conditions

If you are claiming as a result of a medical condition which:

1. existed or you were aware of, or which a reasonable person in your circumstances could be expected to have been aware of; or
2. you have received medical advice, treatment, diagnosis or care from a **Qualified Medical Practitioner**; or
3. you have experienced symptoms, whether or not diagnosed, or where medical investigations had commenced in respect of those symptoms.

For the first time while you were covered under your previous **Policy**, we will, despite the **Pre-existing Condition** exclusion, consider the claim under the new **Policy**. However, any amount payable will be capped at the benefit limits applicable under your previous **Policy**.

As an example, if you have refinanced your \$300,000 **Loan** to \$500,000 and were to pass away due to a medical condition which was diagnosed while you had coverage under the previous **Policy**, the **Life Cover Benefit** would be capped at \$300,000.

FRAUDULENT CLAIMS

If any claim under this **Policy** is fraudulent or is intended to mislead us or if fraudulent or misleading actions are used by you or anyone acting on your behalf to obtain a benefit under this **Policy**, your right to any benefit under this **Policy** shall end and we shall be entitled to vary or avoid the **Policy** from inception and recover any benefit paid and costs incurred as a result of any such fraudulent or misleading claim.

ENQUIRIES AND COMPLAINTS

Any enquiry or complaint regarding this **Policy** should in the first instance be addressed to:

Head Office:

St Andrew's Australia

PO Box 7395 Cloisters Square WA 6850

Telephone: 1300 363 159

Email: customerservice@standrews.com.au

Please supply your **Policy** number to enable the enquiry to be dealt with promptly. Your complaint or enquiry will be dealt with by someone with appropriate authority. We will acknowledge receipt of your complaint within 2 business days of receiving it. Where additional specific information is requested by us from a third party, a full answer to your complaint will follow as soon as possible.

In the unlikely event that your complaint is not resolved to your satisfaction, you may refer the matter for a further review to the Internal Dispute Resolution Committee at the address above.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

In writing to:

Australian Financial Complaints Authority

GPO Box 3

MELBOURNE VIC 3001

Tel: 1800 931 678 (free call)

Email: info@afca.org.au

Online: www.afca.org.au

FINANCIAL CLAIMS SCHEME

The covers issued by St Andrew's Insurance are "protected policies" for the purposes of the Financial Claims Scheme (FCS) which is administered by the Australian Prudential Regulation Authority (APRA). If you are entitled to claim under those covers, you may be entitled to payment under the FCS. Access to the FCS is subject to eligibility criteria. Information about the FCS can be obtained from the FCS website at www.fcs.gov.au or by calling 1300 55 88 49.

Policies issued exclusively by St Andrew's Life Insurance are not "protected policies" under the Financial Claims Scheme.

YOUR PRIVACY

For the purposes of this privacy section, "we" also refers to St Andrew's Australia Services Pty Ltd ABN 75 097 464 616.

We collect your personal information so that we can establish and administer the financial product or service provided to you, identify you for inquiries, concerns and complaints you may have, deal with any requests or claims you may make, tell you about products and services offered by us or our affiliate companies and conduct customer satisfaction surveys to improve our products and services. For some **Applications** or in relation to any claim made, we may collect sensitive information related to your health. Without your information we will not be able to process your **Application** or claim.

If you provide us with personal information about someone else, you should ensure that you are authorised to do so and agree to inform that person of the contents of this notice.

We exchange your personal information with organisations in the normal operations of our business, for example, with St Andrew's related companies and agents, distributors (including the entity who referred you to us), your **Lender**, coinsurers, reinsurers and with service providers (such as professional advisors, IT support and mailing houses). In the event of a claim under your **Policy**, your information may be exchanged with other parties including ex-employers, government

agencies, claims investigators, other insurance companies, lawyers, recovery agents, hospitals, doctors, medical specialists or other health professionals. We may also disclose your personal information overseas to countries in certain circumstances that are likely to include New Zealand, India, the Philippines, Japan and USA.

When you apply for Mortgage Protection you consent to us:

1. collecting, using and disclosing information about you in the manner described in this section; and
2. (unless you opt out) using your personal information to tell you about products and services offered by us, other group companies or our preferred suppliers, which may be of interest to you and for the purpose of customer satisfaction surveys.

Our Privacy Policy, a copy of which can be found at www.standrews.com.au, sets out how you can access and correct information we hold about you, how you can complain about a breach by us of your privacy rights and how your complaint will be handled. It also contains a more comprehensive list of countries to which your information may be disclosed and will be updated regularly.

You may contact our Privacy Officer in relation to your personal information (or to opt out of marketing) on 1300 363 159 or standrews@standrews.com.au.

OTHER IMPORTANT INFORMATION

You should note the following about your Mortgage Protection **Policy**:

1. This **Policy** has no surrender value.
2. Nothing in this **Policy** may be waived or modified except in writing signed by an Authorised Officer on our behalf.
3. Some of your insurance premium is paid to the distributor of the **Policy** as commission.
4. You may not transfer your rights under this **Policy**.
5. You must comply with all parts of this **Policy** and take all reasonable steps to:

- a. minimise our risk; and
 - b. minimise the size of any claims you make.
6. The entire contract of insurance between you and us is comprised of this PDS, the **Policy Schedule** we send to you (or as amended from time to time and advised to you in writing), and any **Application** or any other written document prepared by you, or on your behalf and given to us for the purpose of deciding whether to insure you.
7. Any notices we send to you regarding this **Policy** will be sent to the address you last notified to us or via email. If you change either your postage or email address you must notify St Andrew's at the address on page 1.
8. We may cancel this **Policy**:
 - a. if you fail to pay any premium when it is due under this **Policy** and that remains unpaid for more than one month; or
 - b. when we are entitled to do so under the Insurance Contracts Act 1984 (Cth) or the Life Insurance Act.
9. This contract is subject to the law in force in the State of Western Australia (as amended or affected by statutes of the Commonwealth of Australia).
10. Life, **Terminal Illness** and Accident & Sickness insurance is written out of St Andrew's Life Insurance Statutory Fund No. 1.
11. As part of the premium, we will collect an amount on account of goods and services tax payable under the A New Tax System (Goods & Services) Tax Act 1999 (as amended from time to time).
12. We will not be liable to pay compensation for any consequential financial loss or non-financial loss (including compensation for distress or inconvenience) in relation to a claim with St Andrew's.
13. You will cease to be covered for this **Policy** as at the date you no longer permanently reside in Australia and you must inform us of this change in residency status.

LIFE INSURANCE CODE OF PRACTICE

St Andrew's has adopted the Life Insurance Code of Practice. The Code has been designed to promote high standards of service to consumers, provide a benchmark of consistency within the industry and establish a framework for professional behaviour and responsibilities. It is designed to protect you, the **Policy** holder.

Please contact us if you would like more information about the Code or go to www.fsc.org.au for more details.

DIRECT DEBIT REQUEST - SERVICE AGREEMENT

1. St Andrew's Australia Services Pty Ltd ABN 75 097 464 616 (Debit User) will initiate direct premium debit payments in the manner referred to in the Schedule (contained in the **Application** for Mortgage Protection).
2. Debit payments will be made when due. The Debit User will not issue individual confirmation of payments made.
3. The Debit User will give you at least 14 days' written notice if the Debit User proposes to vary details of this arrangement, including the amount and frequency of debit payments.
4. If you wish to defer any payment or alter any of the details referred to in the Schedule, you must either contact the Debit User on 1300 363 159 or write to the Debit User at the address on page 1.
5. Any queries concerning disputed debit payments must be directed to the Debit User in the first instance. Details of the dispute resolution process that applies to the Debit User are described in the Mortgage Protection PDS. You may also contact the Debit User on 1300 363 159 or at the address on page 1. Any queries you have regarding any disputed debit payments, may also be directed to your financial institution.
6. Direct payment debiting is not available on the

full range of accounts at all financial institutions. If in doubt, you should check with your financial institution before completing the Direct Debit Request.

7. You should ensure that your account details given in the Schedule are correct by checking against a recent statement from your financial institution at which your account is held.
8. It is your responsibility to have sufficient cleared funds available by the premium due date, in your account to enable debit payments to be made in accordance with the Direct Debit Request.
9. By signing the Direct Debit Request, you warrant and represent that you are duly authorised to request and instruct the debiting of premium payments from your account described in the Schedule.
10. If a debit payment falls due on any day which is not a business day, the payment will be made on the next business day. If you are uncertain as to when a debit payment will be processed to your account, you should make enquiries directly with your financial institution at which your account is held.
11. If a debit payment is returned unpaid, you may be charged a fee by your financial institution for each returned item.
12. Should you wish to cancel the Direct Debit Request or to stop individual payments you must give at least 7 days' written notice to the Debit User at the address referred to on page 1 or by directing your request to your financial institution at which your account is held.
13. Except to the extent that disclosure is necessary in order to process debit payments, investigate and resolve disputed transactions or is otherwise required by law, the Debit User will keep the details of your account and debit payments confidential. The Debit User's Sponsor bank may require information relating to your records and account details to be provided in connection with any claim made on it relating to an alleged incorrect or wrongful debit.

This page is left intentionally blank.

This page is left intentionally blank.

St Andrew's
AUSTRALIA



ST ANDREW'S INSURANCE (AUSTRALIA) PTY LTD ABN 89 075 044 656
ST ANDREW'S LIFE INSURANCE PTY LTD ABN 98 105 176 243

PO BOX 7395 CLOISTERS SQUARE WESTERN AUSTRALIA 6850
TELEPHONE: 1300 363 159 FACSIMILE: 1300 720 722