



FIVE YEAR MORTGAGE REPAYMENT INSURANCE

PRODUCT DISCLOSURE STATEMENT

Table of contents

	page
Section A – About this Insurance	3
About the insurers	3
Purpose of the insurance	3
Choice of cover	4
About this insurance	5
Our agreement with you	6
Applying for cover	7
How to apply	8
Your premium	10
Commission	11
Financial Hardship	11
Customers requiring additional support	12
Section B – Your cover	13
Maximum level of cover	13
Table of benefits and limits	13
Part 1 – Death and Terminal Illness Cover	13
Part 2 – Disability Cover	14
Part 3 – Involuntary Unemployment Cover	15
Some situations are not covered	17
Words with special meanings	20
Loan settlement cover	26
Interim cover	27

	page
Conditions of cover	28
Non-Renewable	28
Re-application for cover	28
Continuity of cover	28
Changes to your policy	29
Cooling off and cancellation rights	29
Cancellation of the policy	30
When the policy begins and ends	31
Making a claim	32
Section C – Other important information	34
Your Duty of Disclosure	34
Privacy Notice	36
General Insurance Code of Practice	38
Life Insurance Code of Practice	38
Complaints – Internal and external complaints	39
General Product Disclosure Statement information	39
Financial Claims Scheme	40
Taxation	40
Phoning for assistance and confirmation of transactions	40

Section A – About this Insurance

About the insurers

Allianz Australia Insurance Limited ABN 15 000 122 850, AFS Licence No. 234708 (Allianz) is the insurer of the Disability cover and Involuntary Unemployment cover and is only responsible for these general insurance covers under the policy issued by it.

Allianz Australia Life Insurance Limited ABN 27 076 033 782 AFS Licence No. 296559 (Allianz Life) is the insurer of the Death and Terminal Illness cover and is only responsible for this cover.

Allianz acts as Allianz Life's agent in offering and administering the Death and Terminal Illness cover.

References to "we", "our" or "us" only apply to Allianz and Allianz Life for the cover for which they are responsible.

Purpose of the insurance

Allianz Five Year Mortgage Repayment Insurance is consumer credit insurance that is designed to pay (up to the maximum policy benefits):

- your minimum monthly mortgage repayments while you are unable to work due to injury or illness (we call this Disability cover),
- your minimum monthly mortgage repayments while you are involuntarily unemployed (we call this Involuntary Unemployment cover),
- the net balance due and payable on your mortgage if you should die or become terminally ill (we call this Death and Terminal Illness cover).

We make all benefit payments directly to the financial institution you have the loan agreement with. They are calculated by reference to the amount you owe under the loan agreement to which your policy relates.

Please note the above covered events:

- are specifically defined (see “Words with special meanings”); and
- must occur during the period of insurance (which will not exceed 5 years) in order for a claim to be payable.

We exclude any pre-existing condition under the Death and Terminal Illness and Disability covers (see definition of what we consider a “pre-existing condition”).

Choice of cover

You may choose any one of the following combinations of cover:

- Death and Terminal Illness, Disability and Involuntary Unemployment,
- Disability and Involuntary Unemployment,
- Death and Terminal Illness and Disability,
- Disability only, or
- Death and Terminal Illness only.

Loan settlement cover is automatically included with every combination of cover.

Where we have agreed to cover you for more than one cover type under the policy, we will consider your claim under all of these cover types so that you can claim for all available benefits under the policy (subject to the policy terms, conditions, limits and exclusions).

About this insurance

This is an important document. You should read it carefully before making a decision to purchase this insurance. It will help you to:

- decide whether this insurance will meet your needs (including extent of cover and limitations); and
- compare it with other products you may be considering.

Please note that any recommendation or opinion in this document is of a general nature only and does not take into account your objectives, financial situation or needs.

You need to decide if this insurance is right for you and you should read all of the documents that make up the policy to ensure you have the cover you need.

Make sure you understand what is and is not covered

Section B of this document sets out the cover(s) we are able to provide you with. You need to decide if the limits, type and level of cover(s) are appropriate for you and will cover your potential loss. If they are not, you may be underinsured and have to bear part of any loss you are not covered for yourself.

Not everything is covered by this insurance and there are limitations. It is important that you read this document carefully, so that you can understand what we cover and the limitations.

Read the section “Words with special meanings” to ensure you understand what we mean by terms used in relation to the cover we provide. For example “disablement”, “involuntary unemployment” and “net balance due and payable” are defined terms that affect what we cover you for.

Read each cover section which will tell you the events we can cover. For example:

- your death, terminal illness, disability or involuntary unemployment must occur during the period of insurance;

- your disability and involuntary unemployment must be for longer than the 21 day waiting period; and
- maximum benefit limits apply

Each cover has specific exclusions which apply to it.

For example, we do not cover you for certain pre-existing illnesses or injuries, or for self-inflicted injuries (including suicide that occurs within 13 months of the effective date).

Make sure you understand what we specifically exclude by reading “Some situations are not covered” for full details of the exclusions that apply.

Our agreement with you

Where we agree to enter into a policy with you it is a contract of insurance between us and you. The policy consists of:

- this document, which sets out the standard terms of your cover, including its conditions, limitations and exclusions;
- your current policy schedule issued by us. The schedule is a separate document that shows the insurance details relevant to you. It may include additional terms, conditions, limitations and exclusions relevant to you that amend the standard terms of this document. Only those sections shown as covered in your policy schedule are insured. Any new or replacement policy schedule we may send you, detailing changes to your insurance or the period of insurance, will become the current policy schedule, which you should carefully read and retain; and
- any other change to the terms of the policy otherwise advised by us in writing (such as an endorsement or Supplementary Product Disclosure Statement). These written changes may vary or modify the above documents.

These are all important documents and should be carefully read together as if they were one document and kept in a safe place for future reference as a reminder of the cover you hold.

When you enter into the policy you confirm and warrant that you have read or will read the policy documents when provided to you.

We reserve the right to change the terms of the policy where permitted to do so by law.

Not compulsory and free choice of insurer

You are not obliged to purchase this insurance, nor is it a condition of your loan agreement approval.

You can arrange similar insurance (often known as consumer credit insurance) with any insurer you wish.

Applying for cover

Eligibility

To apply for this insurance, you must meet the following eligibility requirements.

To be eligible to apply for all types of cover, you need to:

- be applying for the insurance to cover your obligations under a loan agreement**;
- be a permanent resident of Australia, and
- be in good health and not be aware of having any sickness or disability that a reasonable person in the circumstances would be aware of.

To be eligible to apply for Disability cover, you need to:

- be at least 16 years old at the effective date and not yet turned 60 years old
- be permanently employed and working on a continuous basis for a period of not less than 20 hours per week for remuneration or reward
- have no knowledge or warning of any proposed or actual termination or decrease in the work available to you

To be eligible to apply for Involuntary Unemployment cover, you need to:

- be at least 16 years old at the effective date and not yet turned 60 years old
- be permanently employed and working on a continuous basis for a period of not less than 20 hours per week for remuneration or reward
- not be self-employed
- not be employed or contracted:
 - casually, irregularly or seasonally; or
 - under a contract limited to a specified work period. For example, a traineeship or apprenticeship
 - for a specified task
- have no knowledge or warning of any proposed or actual termination or decrease in the work available to you

To be eligible to apply for Death and Terminal illness cover, you need to:

- be at least 16 years old at the effective date and not yet turned 60 years old

** Applications for insurance can be made either at the beginning of a new loan agreement or during an existing loan agreement. See "Paying your Premium".

If during the period of insurance, you cease being permanently employed and working; you may not be covered for involuntary unemployment.

How to apply

Step 1 – Read these documents carefully

Before you apply for this insurance it is important that you read this document and any other policy documents we give you carefully, so that you understand what we cover and its terms, conditions, exclusions and limitations that apply.

You need to decide if the limits, type and level of cover(s) are appropriate for you and cover your potential loss.

Step 2 – Complete and submit the proposal

You must complete and submit our proposal to apply.

In applying you need to be truthful and comply with your Duty of Disclosure. It is important that you comply with your Duty of Disclosure as failure to comply can result in cancellation of your policy and/or non-payment or reduction of a claim. If fraud is involved we may treat your policy as if it never existed. While a medical examination is not required to apply for this cover, medical examinations or clinical records may be required for us to assess your claim.

Step 3 – When we issue final cover

Where you are not required by us to complete a medical questionnaire because you have answered no to the questions posed by us in our proposal about pre-existing medical conditions – we will automatically issue you with final cover from the effective date. We issue you with a policy schedule confirming this.

Where you are required by us to complete a medical questionnaire because you have answered yes to any of the questions posed by us in our proposal about pre-existing medical conditions – we will not enter into final cover with you unless otherwise agreed in writing by us after receipt of your medical information. Instead, we provide you with Interim cover for the cover you selected in your proposal from the effective date and on the terms set out in “Interim cover”.

If you have provided additional information on a medical questionnaire, we may call you to find out more information or use this information to apply additional exclusions to your policy or decline the application for final cover for one or all insureds.

Please note: Until the effective date we also provide you with Loan settlement cover for the cover you selected in your proposal on the terms set out in “Loan settlement cover”. This cover will end as at the effective date unless the Loan settlement cover has ended earlier in accordance with its terms.

Your premium

In return for paying or agreeing to pay us your premium, we will provide the cover that you have chosen. Your premium will be based on our analysis of the likelihood of a claim being made on your policy during the period of insurance.

When we work out the premium we look at a number of factors such as the level of cover you select, the loan amount and other information that you provide to us when applying for this insurance. The premium also includes amounts that we are obliged to pay for compulsory government charges, taxes or levies (for example Stamp Duty and GST where applicable) in relation to your policy.

Paying your premium

You must pay your premium on time. You can choose to pay your premium by:

- financing your premium into your mortgage repayments; or
- making an upfront lump sum payment using a credit card or by direct debit from a nominated bank account; or
- paying monthly instalments by using a credit card or by direct debit from a nominated bank account.

Your policy schedule shows the amount you need to pay for your total premium or monthly instalments.

Depending on the method you choose for payment, you may pay extra charges, fees and/or interest. For example, if you pay by monthly instalments, your bank may charge you a fee for transactions. If you pay your premium in a lump sum from a credit card, interest and additional fees or charges may be applied by your credit card provider. If you finance your premium into your loan, you may be charged interest on the premium by your financier. No part of the interest or fees paid is passed to Allianz.

For more information, ask your financier for a copy of the "Five Year Mortgage Repayment Insurance & Loan cover - Important information and how to pay your premium" brochure.

What happens if you don't pay your premium on time

We may cancel your policy if you fail to pay your premium by the time we require. An instalment premium outstanding for at least 14 days allows us to refuse to pay a claim under the Disability and Involuntary unemployment cover where relevant.

Commission

For arranging this insurance, our agents receive a commission of 20% of the total premium payable by you, excluding, for the general insurance premium only, amounts charged in relation to Stamp Duty and other government charges. They act as our agent and not as your agent.

Financial Hardship

We realise there are times where it is difficult to pay your insurance premiums on time. If you are experiencing difficulty paying, contact us directly using the contact details on the back cover, and we will discuss options with you.

Customers requiring additional support

Applying for a policy and making a claim sometimes requires a lot of information, including reading policy details, completing documents, answering questions and providing documentation (such as documents to prove identity and documents to support a claim). We recognise that sometimes supplying copies of documentation can be difficult because of family circumstances or even living in a remote region. If you are experiencing difficulty in providing any documents we have requested, please contact us using the details on the back cover, and we will work with you to either find suitable alternate documentation, or extend the timeframes to give you enough time to provide the requested information.

We also know that when obtaining or claiming on insurance there is a lot of information to understand and questions to answer. While we try to put all our documents in plain language, there will be times where you might still have questions or want help to understand what a particular cover or request means. If you find that you need additional support in understanding the documentation you have received, or answering any questions we have asked, contact us using the details on the back cover and we will help you. You can also appoint someone to help you as your representative, or you can use an interpreter service if English is not your first language. Where this is the case, we may require you to confirm the appointment of the person to us.

Section B – Your cover

Maximum level of cover

The maximum level of cover you can apply for under this policy is \$750,000.

When you are applying for this cover, the maximum total combined current cover for all consumer credit insurance policies issued by us, including this application must be no more than \$750,000.

Table of benefits and limits

The following cover only applies if the policy schedule shows that it applies and you have paid or agreed to pay the premium for it.

Each cover noted is subject to further terms, conditions, exclusions and limitations that are not listed in this table which may be included in this document or in another document which makes up your policy.

Certain terms used in the policy have special meanings (see “Words with special meanings”).

Part 1 – Death and Terminal Illness Cover

If you die or suffer a terminal illness during the period of insurance we will pay to your financial institution the net balance due and payable by you under your loan agreement as at the date of your death or your specialist medical practitioner is of the opinion that your illness became a terminal illness.

The maximum benefit we will pay for all insureds combined is the lesser of:

- a) the net balance due and payable under the loan agreement as at the effective date of the period of insurance; or
- b) the net balance due and payable under the loan agreement as at the date of your death or terminal illness.

Part 2 – Disability Cover

If you become disabled during the period of insurance and your disablement continues for at least 21 consecutive days during the period of insurance, for each day that you are disabled we will pay to your financial institution a daily benefit at the rate of 1/30th of the lesser of the minimum monthly repayment amount required:

- a) under the loan agreement as at the effective date of the period of insurance; or
- b) under the loan agreement on the date you became disabled.

The maximum benefits under (a) or (b) may be increased by up to 10% if:

- the minimum monthly repayment amount required under the loan agreement has been increased or an increase has been contracted, prior to the time you become aware or a reasonable person in the circumstances would have become aware, of any injury or illness that results in your disability, and
- The increase to the minimum monthly repayment amount is not due to default of loan repayments.

Our payment will continue for as long as you are disabled until we have made 24 monthly repayments (whether or not consecutive) in respect of all disability claims for each insured.

We will only pay one benefit in respect of the same period, regardless of whether:

- one insured is both involuntarily unemployed and disabled; or
- more than one insured is disabled and/or involuntarily unemployed.

If you return to permanent employment for less than 30 days between successive periods of disability that occur during the period of insurance, we will treat this as one continuous period of disability. We will not pay for the time you were employed between the successive periods.

Part 3 – Involuntary Unemployment Cover

If you become involuntarily unemployed during the period of insurance and your unemployment continues for at least 21 consecutive days during the period of insurance, we will pay to your financial institution a daily benefit at the rate of 1/30th of the lesser of:

- a) \$3,000 per month; or
- b) the minimum monthly repayment amount required:
 - (i) under the loan agreement as at the effective date of the period of insurance; or
 - (ii) under the loan agreement on the date you became involuntarily unemployed.

The maximum benefits under (b) (i) or (b) (ii) may be increased by up to 10% if:

- the minimum monthly repayment amount required under the loan agreement has been increased or an increase has been contracted, prior to the time you become aware or a reasonable person in the circumstances would have become aware of becoming involuntarily unemployed or your impending involuntarily unemployment, and
- the increase to the minimum monthly repayment amount is not due to default of loan repayments.

This does not apply to the maximum monthly benefit payable under (a) above.

We will only pay one benefit in respect of the same period, regardless of whether:

- one insured is both involuntarily unemployed and disabled; or
- more than one insured is disabled and/or involuntarily unemployed.

Our payment will continue for as long as you are involuntarily unemployed up to a maximum period of 120 days per claim or until the policy ends, whichever comes first. The maximum amount payable during the entire period of insurance is \$10,000 for all claims by all insured persons combined.

If you return to permanent employment for less than 30 days between successive periods of involuntary unemployment that occur during the period of insurance, we will treat this as one continuous period of involuntary unemployment. We will not pay for the time you were employed between the successive periods and we will pay a maximum of 120 days benefit for the combined period.

Some situations are not covered

We will not pay any claim for Death and Terminal Illness, Disability or Involuntary Unemployment cover that is caused by, arises from, or is in any way connected with:

- a) a pre-existing condition (See “Words with special meanings” for a complete description);
- b) your failure to follow the advice of a registered medical practitioner, that directly or indirectly results in a claim, or directly or indirectly extends the duration of a disability claim;
- c) a deliberately self-inflicted injury or illness (including suicide or attempted suicide):
 - within 13 months of the effective date for Death and Terminal Illness cover; or
 - during the period of insurance for Disability cover;
- d) your alcoholism or alcohol abuse, drug addiction or drug abuse or your consumption or use of intoxicating liquor, narcotics or drugs (other than drugs administered by or taken in accordance with the advice of a registered medical practitioner);
- e) you taking part in a criminal or illegal act; or
- f) war or warlike activities, hostilities or warlike operations (whether war be declared or not), rebellion, civil war, revolution, insurrection, military or usurped power, invasion, act of foreign enemy or popular or military rising;
- g) you taking part in a riot or civil commotion, strike or lockout;
- h) terrorism, including
 - a. any act of terrorism arising directly or indirectly out of or in any way connected with biological, chemical, radioactive, or nuclear pollution or contamination or explosion; or
 - b. any action in controlling, preventing, suppressing, retaliating against, or responding to any act referred to in (a) above.

An act of terrorism includes, but is not limited to, any act, preparation in respect of action or threat of action, designed to:

- a. influence a government or any political division within it for any purpose, and/or
 - b. influence or intimidate the public or any section of the public with the intention of advancing a political, religious, ideological or similar purpose;
- i) nuclear radiation or contamination by radioactivity from
- any nuclear fuel or nuclear waste,
 - the combustion of nuclear fuel (including any self-sustained process of nuclear fission), or
 - nuclear weapons material.
- j) any insured event to the extent that the provision of such cover, payment or benefit is prohibited by any law, sanction, prohibition or restriction under United Nations resolutions or any other applicable trade or economic sanctions, laws or regulations.

For Death and Terminal Illness, Disability or Involuntary Unemployment cover you are not covered for any increase in the amount outstanding under the loan agreement where the increase or re-draw occurs after you become aware, or a reasonable person in the circumstances should have been aware, of any illness or injury or impending unemployment that results in your claim. This limitation will not apply where you were contracted to the increase before you became aware or should reasonably have been aware of the illness or injury or impending unemployment.

For Death and Terminal Illness cover we will not pay more than one claim, even if the policy covers more than one insured.

For Disability or Involuntary Unemployment cover, we will not pay:

- a) more than one benefit at one time regardless of whether:
 - (i) one insured is both involuntarily unemployed and disabled; or
 - (ii) more than one insured is disabled and/or involuntarily unemployed.

- b) any claim relating to childbirth, abortion, pregnancy, maternity leave or paternity leave, except where you are totally disabled as a result of direct, severe medical complications requiring hospital admission, where you will be covered until medically certified as fit to return to work, apart from your childcare obligations;

We will not pay any claim for Involuntary Unemployment cover, if:

- a) you were not engaged in permanent employment or were self-employed on the effective date of the period of insurance;
- b) you were not engaged in permanent employment for at least 21 consecutive working days immediately prior to any period of involuntary unemployment;
- c) before this contract was entered into you had knowledge or warning of any proposed or actual termination or decrease in work available to you and this resulted in your involuntary unemployment;
- d) you are unemployed because you ceased employment of a casual, seasonal or temporary nature. This exclusion applies, even if you met the conditions to be eligible for cover at the effective date, but your employment circumstances change;
- e) your involuntary unemployment is caused by:
 - i) the end of a non-renewable contract which was limited to a specified work period including, but not limited to, an apprenticeship or traineeship; or
 - ii) the expiration of a specified task for which you were employed or contracted;
- f) you voluntarily become unemployed, including where you resign, reach retirement, accept voluntary redundancy, early retirement or abandon your employment; or
- g) your involuntary unemployment is caused by any injury, illness, sickness or disease, or other condition relating to your health; or
- h) your involuntary unemployment is due to dismissal for any form of misconduct; or
- i) your claim is caused by, arises from or is in any way connected with your taking part in a strike or lockout.

Words with special meanings

The following words have the meaning set out below when they appear in this document and your policy schedule.

“disabled”, “disability” and “disablement” means the period a registered medical practitioner has advised that you are unable to attend or engage in your usual permanent employment for at least 20 hours per week because you have suffered an injury or an illness and, where requested by us, this advice has been verified by a registered medical practitioner chosen by us.

“effective date” means:

- where we issue you with final cover – the effective date shown on the policy schedule for the final cover; or
- where we issue you with Interim cover – the effective date shown on the Interim cover schedule (see “Interim cover” section).

“final cover” means cover that is not Interim cover or Loan settlement cover, which has been issued under the process as set out under “How to apply: Step 3 – When we issue final cover”.

“financial institution” means the financial institution shown on the policy schedule.

“illness” means illness, sickness or disease that first manifests itself during the period of insurance and does not include any injury. For the purposes of this definition an illness will first manifest itself on the earlier of:

- a) the date a registered medical practitioner agreed by us, diagnoses the illness or symptoms of the illness, whichever is earlier;
- b) the date a registered medical practitioner agreed by us reasonably considers the symptoms of the illness first occurred or manifested;

- c) the date you first became aware of the illness or symptoms of the illness, whichever is the earlier;
- d) the date a reasonable person in the circumstances would have been aware of the illness or symptoms of the illness, whichever is the earlier; and
- e) the date you first received medical treatment for the illness or symptoms of the illness, whichever is the earlier.

“injury” means bodily injury caused solely by accidental, external and visible means that first occurs during the period of insurance and does not include any illness. For the purposes of this definition, an injury will first occur on the earlier of:

- a) the date the injury occurred;
- b) the date a registered medical practitioner agreed by us, reasonably diagnoses as the most likely date of the injury;
- c) the date you first became aware of the injury or a reasonable person in the circumstances would have been aware of the injury;
- d) the date you first received medical treatment for the injury; and
- e) the date nominated in information provided to us (including but not limited to reports from relevant government authorities or workers compensation insurance) as the date the injury was sustained.

“involuntary unemployment” and **“involuntarily unemployed”** means a period during which you are registered and certified as unemployed by Centrelink or such other equivalent Commonwealth Government Authority following a termination of your employment which:

- did not occur by your choice; or
- did not occur as a result of your misconduct; or
- was not caused by injury, illness or sickness.

You do not need to be in receipt of government unemployment benefits to be considered involuntarily unemployed under this policy.

“loan agreement” means the loan agreement shown on the policy schedule.

“Loan settlement cover start date” means the date when your loan is unconditionally approved by your financial institution, and you have:

- signed and submitted the proposal declaration to us or our representative, and
- (if required) signed and submitted the medical questionnaire to us or our representative.

“misconduct” means any breach of an employer’s code of conduct or internal regulations sufficient to justify termination of employment.

“net balance due and payable” means the amount outstanding under the loan agreement at the date of the commencement of the period of insurance, or the date of your death or terminal illness (where Death and Terminal Illness cover applies) or the date you are disabled (where Disability cover applies) as applicable, plus any interest charges accrued for up to two months after that date. This amount does not include any arrears in loan repayments. This amount does not include any payments already advanced under an accepted Disability claim under your policy for the same illness or condition leading to your terminal illness or death.

For Death and Terminal Illness cover this also includes any advance payments or other funds paid to your financial institution after the commencement of your policy that are in excess of repayments required by your loan agreement.

“period of insurance” means the period of time beginning on the effective date and ending on the earlier of the expiry date shown on the policy schedule or the date the policy ends (see “When the policy begins and ends”). For the period applicable to Loan settlement cover and Interim cover, see Loan settlement cover section and Interim cover section.

“permanently employed and working/ permanent employment” means being employed on a continuous basis for a period of not less than 20 hours per week for remuneration or reward.

Permanently employed and working does not include payments:

- from carers or disability pensions, or employment entitlements such as workers compensation; or
- from casual employment, where you cannot show a continuous working pattern with the same employer for over 6 months and for more than 20 hours per week.

In addition for Involuntary Unemployment cover, permanent employment also means you must not be self-employed and must not be employed or contracted:

- casually, irregularly or seasonally; or
- under a contract limited to a specified work period. For example, traineeship or apprenticeship; or
- for a specified task.

“permanent resident of Australia” means a person who resides in Australia and has permission to remain permanently in Australia either because they are:

- an Australian or New Zealand citizen;
- the holder of visa that enables them to permanently reside in Australia or New Zealand; or
- a protected special category visa holder.

“policy” means this document, the policy schedule, any endorsement and/or any other document that we tell you forms part of our agreement with you.

“policy schedule” means the relevant policy schedule for your policy that we give you which specifies details such as the covers which apply, the policy number, loan amounts and premium. It also includes any documents that we and you agree in writing will form part of the policy schedule.

“pre-existing condition” means any injury, illness or other condition related to your health which directly causes your death, terminal illness, disability or involuntary unemployment, which:

- you were aware of in the twelve month period prior to your policy effective date, or
- you received medical advice or treatment for in the twelve month period prior to your policy effective date, or
- you were experiencing symptoms of which a reasonable person in those circumstances would have sought medical advice or treatment for in the twelve month period prior to your policy effective date, and for which you subsequently received treatment following your policy effective date or a reasonable person would have sought medical advice or treatment.

“premium” means the amount paid or payable by you for the cover(s) shown as applicable on the policy schedule.

“registered medical practitioner” means a person who is legally entitled to practice medicine by virtue of appropriate registration with the appropriate authority in the relevant State or Territory in which they are providing the relevant medical advice who is not your spouse (including someone legally recognised in Australia as your de facto partner), member of your family or your business associate, and acting within the scope of their registration and pursuant to relevant laws.

“self-employed” means you are an independent contractor or you are employed by yourself or by a company or business over which you, or an immediate family member of yours, can exercise control.

“specialist registered medical practitioner” means a registered medical practitioner that has specialist qualifications relating to your terminal illness.

“terminal illness” means an illness, which in the written opinion of a specialist registered medical practitioner and verified by us, is likely to result in your death within 12 months.

“unconditionally approved”, “unconditional approval” means your financial institution has provided formal written approval of the loan agreement for which you applied.

“usual permanent employment” means you are employed with the same employer and performing the same or varied employment duties to your permanent employment immediately prior to your disablement.

“we”, “our” or “us” means:

- Allianz Australia Insurance Limited, AFS Licence No. 234708, ABN 15 000 122 850 which issues the insurance for the Disability and Involuntary Unemployment covers only,
- Allianz Australia Life Insurance Limited, AFS Licence No. 296559, ABN 27 076 033 782 which issues the insurance for the Death and Terminal Illness cover only.

“you” or “your” or “insured” means the insured person or persons named on the policy schedule.

Loan settlement cover

We will provide you with Loan settlement cover for the cover you selected in your proposal while your loan is in the settlement process.

The Loan settlement cover period of insurance will start on the date we have accepted your application proposal and your loan has commenced the settlement process, and ends on the earliest of the following dates:

- a) 60 days from your loan settlement cover start date;
- b) the effective date;
- c) the date we advise you that your application for final cover has been declined;
- d) the date we cancel your Loan settlement cover;
- e) the date you obtain replacement cover from us or another insurer;
- f) the date your cover ends in accordance with the terms of this document;
- g) the date you withdraw your application for final cover. A failure to submit any required medical questionnaire within 14 days of signing the proposal is treated as a withdrawal of your application (unless otherwise agreed in writing by us); or
- h) the date your loan money is advanced (the settlement date of your loan).

When your Loan settlement cover ends under (a) – (h) above, all benefit entitlements under Loan settlement cover will cease.

Subject to the above start and end dates, the Loan settlement cover is subject to the terms set out in this document, including the exclusions as set out under “Some situations are not covered” and the “Table of benefits and limits”.

In addition, no claim will be paid as a result of a pre-existing condition as defined in “Words with special meanings”.

Under this Loan settlement cover, we only provide cover for the amounts specified under the loan agreement when you first entered into it. Benefits under Loan settlement cover will only be paid from the effective date.

You will not be charged any additional premium for this period of cover prior to the effective date.

Interim cover

When you have answered “yes” to the questions asked by us on the proposal about pre-existing medical conditions, you are required by us to complete a medical questionnaire. We will not enter into final cover with you unless otherwise agreed in writing by us after receipt of your medical information. Instead, we provide you with Interim cover for the cover you selected in your proposal for the period of insurance starting on the effective date shown on the Interim cover schedule and ending on the earliest of the following dates:

- a) 60 days from the effective date, unless otherwise agreed in writing by us;
- b) the date we advise you that your application for final cover has been declined;
- c) the date we cancel your Interim cover;
- d) the date you obtain replacement cover from us or another insurer;
- e) the date your final cover ends in accordance with the terms of this document; or
- f) the date you withdraw your application for final cover. A failure to submit any required medical questionnaire within 14 days of signing the proposal is treated as a withdrawal of your application (unless otherwise agreed in writing by us).

When your Interim cover ends under (a) – (f) above, all benefit entitlements under the Interim cover will cease.

Subject to the above start and end dates, this Interim cover is subject to the terms set out in this document including the exclusions as set out under “Some situations are not covered” and the “Table of benefits and limits”. In addition, no claim will be paid as a result of a pre-existing condition as defined in “Words with special meanings”.

Conditions of cover

Each of the below conditions apply only to the extent that the relevant insurer of the cover in question is able to rely on the condition in relation to the cover provided by them.

Non-Renewable

This is non-renewable insurance, and the period of insurance will not continue beyond five years. Please be aware that all cover will cease when the policy ends (see “When the policy begins and ends”).

Re-application for cover

After your policy has ended (see “When the policy begins and ends”) you may be eligible to apply for further cover (see “Who can apply”). This application will be treated as a new application for cover and acceptance will be subject to our standard acceptance criteria and the terms and conditions of the insurance policy applicable at that time. This means that acceptance of a previous policy does not mean your new application will be accepted.

Continuity of cover

If you are not entitled to claim under this policy for death, terminal illness or disability solely because of a pre-existing condition and you would have been able to claim for the death, terminal illness or disability under a previous cancelled policy held with us; if:

- the above cancelled policy was cancelled solely as a result of you re-financing or varying the terms of your loan agreement; and
- the above cancelled policy has not yet reached the date it would have expired, had it not been cancelled, as at the date of your claim,

We will cover you under this policy for the above death, terminal illness or disability claim (provided it is otherwise covered under the other policy terms and conditions) and pay the lesser of:

- a) the relevant benefits payable under this policy; or
- b) the benefits that would have been payable under the cancelled policy until the expiry date of the period of insurance provided by that policy.

To the extent permitted by law, this continuity of cover is subject to your having complied with your Duty of Disclosure at the time of applying for your current cover and your previous, cancelled policy.

Changes to your policy

Nothing in your policy with us may be changed unless we agree to the changes in writing.

Cooling off and cancellation rights

You can call us to cancel your policy within 30 days from the date we issued you a new policy, and provided you have not made a claim or an event has not occurred that could give rise to a claim on your policy, we will refund your premium.

We may deduct from your refund amount any reasonable administrative and transaction costs incurred by us that are reasonably related to you buying and cancelling your policy and any government taxes or duties we cannot recover.

In addition to your cooling off period, you can cancel the policy at any time by calling us (refer to “Cancellation of the policy” for full details).

Cancellation of the policy

- a. In addition to your cooling off rights (see “Cooling off and cancellation rights”), you may cancel this policy at any time by telephoning us.
- b. We have the right to cancel your policy with us where permitted by law. For example, we can cancel your policy with us:
 - if you have failed to comply with your Duty of Disclosure, or
 - where you have made a misrepresentation to us during negotiations prior to the issue of the policy, or
 - where you have failed to comply with a provision of your policy, including the term relating to premium payment, or
 - if you have made a fraudulent claim under your policy or under some other contract of insurance that provides cover during the same period of time as your policy.
- c. If you or we cancel the policy after the cooling off period, we will refund your premium less a proportion for time on risk and reasonable administrative costs related to the acquisition and termination of the policy in accordance with any relevant legislation, together with any government taxes or duties that we cannot recover.

When the policy begins and ends

The policy begins on the effective date.

The policy will end at the earliest of the following:

- a) 4pm on the fifth anniversary of the effective date, which is the expiry date shown on the policy schedule;
- b) where final cover has not been issued, the date your Interim cover ends as set out under "Interim cover";
- c) the date the policy is cancelled;
- d) the date the mortgage under the loan agreement is repaid, discharged, refinanced, restructured, foreclosed or terminated;
- e) the date the loan agreement is varied or cancelled;
- f) the date your indebtedness under the loan agreement is transferred to someone else;
- g) the date you turn 65 years of age. When this policy insures joint insureds, cover for each individual insured will cease when that person turns 65 years of age;
- h) the date you cease to be a permanent resident of Australia;
- i) the date of your death; or
- j) the date we pay your terminal illness claim.

Each of the above conditions only apply to the extent permitted by law.

Benefits being paid in respect of Disability or Involuntary Unemployment during the period of insurance will continue to be paid up to the end of the relevant benefit period subject to continuing certification that you are disabled or involuntarily unemployed. Payment of disability or involuntary unemployment benefits after the policy has ended, does not extend your cover or make you eligible to lodge a claim for other benefits after the policy ends.

Making a claim

To make a claim, you or your estate's legal representative must:

1. Call us on 1300 362 108 and we will send the appropriate claim form. We must be notified as soon as possible after the claim event has occurred. We should be notified of a claim within 3 months after the claim event has occurred, as lodgement after this time may delay the assessment of your claim.
2. Fully complete our claim form and return it to us together with any written statements, medical certificates and any other relevant evidence we may reasonably ask for.

In addition,

- a) in support of your claim, you or your estate must, at your own or your estate's expense, provide to us, or cooperate with us, in our collection of any information (including medical certificates, clinical records, records from relevant government authorities, reports of physical examinations or certificates of unemployment) that we may reasonably ask for. For instance, for Death or Terminal Illness claims we require proof in a form satisfactory to us as to your identity, the fact and cause of your death or terminal illness and the existence of the loan agreement. For Involuntary Unemployment claims we will require proof that you have become involuntarily unemployed and that you are seeking further employment.
- b) we may ask you to attend a medical examination relating to a claim. If so, you must reasonably assist us in doing so. We will pay the cost of any examination we ask you to attend.

- c) if we have accepted your claim for disability or involuntary unemployment, you are required to provide reasonable information we may request that supports your ongoing disability or ongoing involuntary unemployment. This may include medical certificates, or proof that you are job seeking (for involuntary unemployment claims).

If you are having difficulty obtaining the requested information, please contact us to discuss alternate documentation you could supply.

If you do not comply with these conditions, including providing the required documentation in as soon as reasonably possible, your claim payment may be delayed or we may be able to refuse to pay or reduce a claim.

Section C – Other important information

Death and Terminal Illness cover forms part of the No. 1 Statutory Fund of Allianz Life and it does not have a surrender value, nor does it entitle you to participate in our profits.

Your Duty of Disclosure

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

The Act imposes a different duty the first time you enter into a contract of insurance with us to that which applies when you vary, extend or reinstate the contract.

This duty of disclosure applies until the contract is entered into (or varied, extended or reinstated as applicable).

Your Duty of Disclosure when you enter into the contract with us for the first time

When answering our specific questions that are relevant to our decision whether to accept the risk of the insurance and, if so, on what terms, you must be honest and disclose to us anything that you know and that a reasonable person in the circumstances would include in answer to the questions.

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

Your Duty of Disclosure when you vary, extend or reinstate the contract

When you vary, extend, reinstate or replace the contract with us, your duty is to disclose to us every matter that you know, or could reasonably be expected to know, is relevant to our decision whether to accept the risk of the insurance and, if so, on what terms.

What you do not need to tell us

Your duty however does not require disclosure of any matter:

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

Non-disclosure – Disability and Involuntary Unemployment cover (underwritten by Allianz)

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

Non-disclosure – Death and Terminal Illness cover (underwritten by Allianz Life)

In exercising the following rights, we may consider whether different types of cover can constitute separate contracts of life insurance. If they do, we may apply the following 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. This would be worked out using a formula that takes into account the premium that would have been payable if you had told us everything you should have. We may only exercise this right within 3 years of entering into the contract.

Fraudulent non-disclosure

If your non-disclosure is fraudulent, we also have the option of avoiding the contract from its beginning at any time.

Privacy Notice

At Allianz, we give priority to protecting the privacy of your personal information. We do this by handling personal information in a responsible manner and in accordance with the Privacy Act 1988 (Cth).

How we collect your personal information

We usually collect your personal information directly from you or your agents. We may also collect it from our agents and service providers; other insurers and insurance reference bureaus; people who are involved in a claim, including third parties claiming under your policy, your employer, external claims data collectors and verifiers and medical service providers; third parties who may be arranging insurance cover for a group that you are a part of; law enforcement, dispute resolution, statutory and regulatory bodies; marketing lists and industry databases; and publicly available sources.

Why we collect your personal information

We collect your personal information (other than sensitive information) to enable us to provide our products and services, including to process and settle claims; offer our products and services and those of our related companies, brokers, intermediaries and business partners that may interest you; and conduct market or customer research to determine those products or services that may suit you.

You can choose not to receive product or service offerings from us (including product or service offerings from us on behalf of our brokers, intermediaries and/or our business partners) or our related companies by calling the Allianz Direct Marketing Privacy Service Line on 1300 360 529, EST 8am to 6pm Monday to Friday, or going to our website's Privacy section at www.allianz.com.au.

We collect your sensitive information (which may include information related to genetic testing) from you for the purpose of providing our product and services, including to underwrite insurance cover; assess and settle claims; and undertake research analysis and design new insurance products.

If you do not provide your personal (including sensitive) information we require, we may not be able to provide you with our services, including settlement of claims.

Who we disclose your personal information to

We may disclose your personal information to others with whom we have business arrangements for the purposes listed in the relevant paragraph above or (except in the case of sensitive information) to enable them to offer their products and services to you. These parties may include insurers, intermediaries, reinsurers, insurance reference bureaus, related companies, our advisers, persons involved in claims, external claims data collectors and verifiers, parties that we have an insurance scheme in place with under which you purchased your policy (such as a financier).

We will not disclose your sensitive information for any purpose other than the purpose for which it was collected or a directly related secondary purpose, unless you otherwise consent.

We may also disclose your personal (including sensitive) information if it is required to be disclosed to government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.

Disclosure overseas

In some instances, your personal information may be disclosed to other companies in the Allianz Group, business partners, reinsurers and service providers that may be located in Australia or overseas. The countries this information may be disclosed to will vary from time to time, but may include Canada, Germany, New Zealand, United Kingdom, United States of America and other countries where the Allianz Group has a presence or engages subcontractors. We regularly review the security of our systems used for sending personal information overseas. Any information disclosed may only be used for the purposes of collection detailed above and system administration.

Access to your personal information and complaints

You may ask for access to the personal information we hold about you and seek correction by calling 1300 360 529, EST 8am to 6pm Monday to Friday. Our Privacy Policy contains details about how you may make a complaint about a breach of the privacy principles contained in the Privacy Act 1988 (Cth) and how we deal with complaints. Our Privacy Policy is available at www.allianz.com.au.

General Insurance Code of Practice

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the general insurance industry. It applies to the Disability and Involuntary Unemployment covers.

You can obtain more information on the General Insurance Code of Practice and how it assists you by contacting us. Contact details are provided on the back cover of this policy.

Life Insurance Code of Practice

The Life Insurance Code of Practice was developed by the life insurance industry through the Financial Services Council. It contains minimum standards of service that customers can expect from insurers.

The standards set out in the Code apply to the Death and Terminal illness covers. You can obtain more information on the Life Insurance Code of Practice and how it assists you by contacting us. The Code can be found on the FSC website at www.fsc.org.au.

Complaints – Internal and external complaints

If you are dissatisfied with our service in any way contact us and we will attempt to resolve the matter in accordance with our Internal Dispute Resolution procedures. To request a copy of our procedures, use our contact details on the back cover. If you are not satisfied with our response or a decision is not reached within 45 days, you may lodge a complaint with an external dispute resolution scheme which is independent and free to you (subject to its relevant terms and rules) as follows:

- with the Financial Ombudsman Service Australia if lodged before 1 November 2018:
Online: www.fos.org.au
Email: info@fos.org.au
Phone: 1800 367 287
Mail: Financial Ombudsman Service Limited
GPO Box 3 Melbourne VIC 3001;
- with the Australian Financial Complaints Authority if lodged on or after 1 November 2018:
Online: www.afca.org.au
Email: info@afca.org.au
Phone: 1800 931 678
Mail: Australian Financial Complaints Authority
GPO Box 3 Melbourne VIC 3001.

General Product Disclosure Statement information

This document is also a Product Disclosure Statement (PDS) under the Corporations Act.

Allianz and Allianz Life both take full responsibility for the content of this document for the purposes of the PDS requirements of the Corporations Act. However, each only insures you for the cover they are responsible for and can only exercise rights under the policy that relate to the cover provided by them.

We may need to update this PDS from time to time if certain changes occur where required and permitted by law. We will issue you with a new PDS or a Supplementary PDS to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, we may issue you with notice of this information in other forms or keep an internal record of such changes (You can get a paper copy free of charge by calling us).

Financial Claims Scheme

In the unlikely event Allianz Australia Insurance Limited were to become insolvent and could not meet its obligations under the policy, a person entitled to claim may be entitled to payment under the Financial Claims Scheme. Access to the Scheme is subject to eligibility criteria. More information can be obtained from <http://www.fcs.gov.au>.

Taxation

Generally premiums payable for this policy are not tax deductible and tax will not generally be payable on any benefit paid to individuals under your policy.

Please refer any tax enquiries to your tax adviser who can take into consideration your personal circumstances.

Phoning for assistance and confirmation of transactions

If you need to confirm any policy transactions or clarify any of the information contained in this document or if you have any other queries, please use the contact details on the back cover.

For all other general enquiries please call your Financial Institution.

Contact details

For all general enquiries please call your Financial Institution

For all claims enquiries please call Allianz on 1300 362 108

allianz.com.au

The insurers:

Allianz Australia Insurance Limited (Allianz)

ABN 15 000 122 850

AFS Licence No. 234708

2 Market Street Sydney NSW 2000

Allianz Australia Life Insurance Limited (Allianz Life)

ABN 27 076 033 782

AFS Licence No. 296559

2 Market Street Sydney NSW 2000

"Part 2 – Disability cover" and "Part 3 – Involuntary Unemployment cover" are issued by Allianz Australia Insurance Limited ABN 15 000 122 850 (Allianz) AFS Licence No. 234708.

"Part 1 – Death and Terminal illness cover" is issued by Allianz Australia Life Insurance Limited ABN 27 076 033 782 (Allianz Life) AFS Licence No. 296559. Allianz acts as Allianz Life's agent in offering and administering the Part 1 – Death and Terminal illness cover.

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