

Credit Protection

Product Disclosure Statement including Policy Wording

Issued by: St Andrew's Insurance (Australia) Pty Ltd and St Andrew's Life Insurance Pty Ltd

1 December 2015



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

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 Credit Protection.

The preparation of this document was completed on 1 December 2015.

St Andrew's Insurance (Australia) Pty Ltd ABN 89 075 044 656 (St Andrew's Insurance) and St Andrew's Life Insurance Pty Ltd ABN 98 105 176 243 (St Andrew's Life) (collectively St Andrew's) are part of the Bank of Queensland Limited ABN 32 009 656 740 (BOQ) group. Neither St Andrew's Insurance nor St Andrew's Life are Authorised Deposit-taking Institutions. Neither BOQ nor any of its related companies (other than St Andrew's) or agents guarantee or otherwise support the obligations or performance of St Andrew's, their products or the benefits payable under the insurance. BOQ will receive a commission for insurance arranged, details of which are set out in the relevant Financial Services Guide.

ABOUT THIS DOCUMENT

PART A: SUMMARY OF CREDIT PROTECTION

Part A of this document is a summary of Credit Protection. It contains the general terms of the Credit Protection policy. Terms defined in Part B of this document have the same meaning in Part A, unless the context otherwise requires.

PART B: POLICY WORDING

Part B of this document is the Policy Wording which outlines in more detail the terms of your contract with St Andrew's if you purchase the Credit Protection policy. This section details the cover provided and when we will and won't pay under the relevant sections that apply to you. You should carefully read all sections before acting on the information it contains. In the event of any inconsistency between the policy wording and the summary of Credit Protection, the policy wording prevails.

IMPORTANT INFORMATION ABOUT THIS DOCUMENT

If you apply for Credit Protection and we confirm your acceptance in writing, this Product Disclosure Statement (which includes the Policy Wording) together with the Application and Policy Schedule form your policy document. Your policy document contains all of the terms and conditions of our contract, including when we will pay a benefit under the policy.

This Product Disclosure Statement can only be used by customers in Australia.

In addition to this document, you may also be provided with a Financial Services Guide (FSG) or a Service Summary by the person who assists you in arranging this insurance.

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PART A: SUMMARY OF CREDIT PROTECTION

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.

In this Product Disclosure Statement 'St Andrew's', 'we', 'our' and 'us' refers to both St Andrew's Insurance and St Andrew's Life.

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

INTRODUCING CREDIT PROTECTION

Getting a new personal loan or mortgage can be an exciting time, you may be looking to the future, looking forward to using the money available to improve your quality of life. However, you can't plan for everything and unexpected things can happen.

Think for a moment about what would happen if you had an accident or illness that stopped

you working, if you suddenly lost your job or, even worse, were to pass away?

How would you or your family continue to meet your loan repayments?

Credit Protection can help.

Credit Protection is consumer credit insurance which provides you with insurance cover to help you to satisfy your obligations under a loan or mortgage if an "insured event" occurs. If an "insured event" under the policy occurs while you hold Credit Protection, the benefit paid under the policy is paid to the financier to meet your obligations under your loan or mortgage. An insured event is an event for which the insurer must pay an amount (called a "benefit") under the policy. Insured events may include death, sickness, accidental injury and involuntary unemployment.

Credit Protection can provide you with peace of mind when you take out a loan or mortgage, but you are not obliged to take it out. You may also be able to take out consumer credit insurance with another insurer.

ELIGIBILITY

The eligibility criteria for each cover option is as follows:

Gold Cover:

- You are aged 18 years and over and under 61 years of age when you apply for cover;
- You are an Australian Resident as defined on page 23;
- You are employed by an organisation carrying on business within Australia and working for at least 20 hours per week, and your work is not of a casual, temporary or seasonal nature; and
- Your application for Credit Protection is made either prior to, or within 60 days of the date of settlement or date of refinance of your loan agreement.

Silver Cover:

- You are aged 18 years and over and under 61 years of age when you apply for cover;
- You are an Australian Resident as defined on page 23;
- You are either Self Employed or employed by an organisation carrying on business within Australia and working for at least 20 hours per week.

Bronze Cover:

- You are aged 18 years and over and under 61 years of age when you apply for cover;
- You are an Australian Resident as defined on page 23.

QUESTIONNAIRE

Apart from the above eligibility criteria, if the total of the amounts you insure with St Andrew's and its related companies, is more than \$500,000, you will also be required to complete an additional questionnaire along with your application that details 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:

- you apply for in your application for this Credit Protection policy;

- provided under any policies already issued to you by St Andrew's or its related companies; and
- provided under any policies issued to another person by St Andrew's or its related companies but under which you are an insured person.

Important: St Andrew's reserves the right to decline your application as a result of the information you provide in the questionnaire. Additionally, if St Andrew's accepts cover following receipt of your questionnaire, any claims made are still subject to the terms and exclusions set out within this document.

INSURED EVENTS CREDIT PROTECTION COVERS

Credit Protection insures different events depending on the cover you have under your policy. There are three product options for you to choose from, providing you meet the eligibility criteria:

Gold: Covers death, sickness, accident and involuntary unemployment.

Silver: Covers death, sickness and accident.

Bronze: Covers death.

A summary of the three options is shown in the table below.

	LIFE	ACCIDENT & SICKNESS	INVOLUNTARY UNEMPLOYMENT
GOLD	✓	✓	✓
SILVER	✓	✓	✗
BRONZE	✓	✗	✗

A summary of each cover is provided below:

Life Cover

Life Cover can provide you and your family with peace of mind knowing that your loan will be repaid if you die. If you have Life cover, Credit Protection will pay the amount required to repay your loan at the date of your death, subject to the benefit limits (see page 7).

Interim Life Cover

As an added benefit and at no additional cost to you, should you die during the period between when you apply for Credit Protection and the date your loan settles, Credit Protection will pay the full amount of your loan at settlement, even if the initial drawdown of your loan is not for the full amount. This additional benefit only applies if your application would have been accepted by us and is subject to the normal eligibility, exclusions (including pre-existing conditions) and maximum amounts, and provided the period between your application and loan settlement is not greater than 180 days.

Accident & Sickness Cover

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 have Accident & Sickness Cover and you are unable to work for a period of more than 30 days due to an accident or sickness, Credit Protection will pay your minimum monthly loan repayments after the first 30 days for up to 36 months. If you are off work due to stress, depression or any other mental or nervous disorder, repayments will be met under Credit Protection for a maximum of 12 months. These payments are subject to the benefit limits (see page 7).

You will be classified as being unable to work due to accident or sickness only if you satisfy the conditions set out in Part B of this document. You should read the definition of unfit for work on page 24 of the Policy Wording. Broadly, you are unfit for work if you have been off work for more than 30 days and a doctor certifies that you are unfit for work.

Involuntary Unemployment Cover

Involuntary Unemployment Cover gives you peace of mind while allowing you to focus on getting back to work.

If you have Involuntary Unemployment Cover and you are involuntarily unemployed for a period of more than 30 days, Credit Protection will pay your minimum monthly loan repayment after the first 30 days for up to 6 months for any one claim. A maximum of 6 monthly benefits are payable within any 12 month period. These payments are subject to the benefit limits (see page 7).

You will be classified as unemployed only if you satisfy the conditions set out in Part B of this document. You should read the definition of unemployed on page 25.

BENEFIT LIMITS

The following table sets out the benefit limits applicable to Credit Protection:

COVER	BENEFIT PAYABLE
Life	<p>The least of:</p> <ul style="list-style-type: none"> a) \$1,500,000; b) the amount required to repay your loan as at the date of your death; c) 110% of your credit limit. <p>An overall maximum benefit of \$1,500,000 applies for all policies issued to you or under which you are insured by St Andrew's and its related companies.</p>
Accident Et Sickness	<p>The monthly benefit is the least of:</p> <ul style="list-style-type: none"> a) the minimum monthly repayment on your loan agreement as at the date you are certified unfit for work; b) \$12,000; c) 1% of your credit limit if your loan is for a mortgage. <p>No more than 36 monthly benefit payments (whether or not consecutive) will be paid under this policy. Note that should you be unfit for work as a result of stress, depression or any other mental or nervous disorder, no more than 12 monthly benefit payments (whether or not consecutive) for all claims will be paid under this policy.</p> <p>A maximum monthly benefit of \$12,000 and an overall maximum benefit of \$100,000 applies for all Accident Et Sickness claims payable to you under any policies issued to you or under which you are insured by St Andrew's and its related companies.</p>
Involuntary Unemployment	<p>The monthly benefit is the least of:</p> <ul style="list-style-type: none"> a) the minimum monthly repayment on your loan agreement as at the date of notification of unemployment; b) \$12,000; c) 1% of your credit limit if your loan is for a mortgage. <p>No more than 6 monthly benefit payments per claim and within any 12 month period will be payable. No more than 24 benefit payments for all claims will be paid under this policy.</p> <p>A maximum monthly benefit of \$12,000 and an overall maximum benefit of \$100,000 applies for all Involuntary Unemployment claims payable to you under any other policies issued to you or under which you are insured by St Andrew's and its related companies.</p>

Example of Benefit Calculation

Below is an example of how we will calculate your benefit based on the table shown above:

A customer has a mortgage loan of \$700,000 and their minimum monthly repayment is \$5,000. The customer falls ill and is unable to work for an extended period.

The monthly benefit will be the least of:

- a) The minimum monthly repayment = \$5,000;
- b) \$12,000;
- c) 1% of the credit limit = \$7,000.

The least amount is the minimum monthly repayment of \$5,000 under a), so we would cover their minimum monthly repayments of \$5,000 per month for up to the maximum period provided for under the policy.

EXCLUSIONS

So that the cost of this protection is kept low, some exclusions do apply. A full list appears in the sections titled "When we will not pay" for each cover type within Part B of this document.

The main exclusions applying to Life Cover are pre-existing conditions, engaging in criminal activities or illegal acts, an act of terrorism, or suicide within 13 months from the commencement date of your policy.

The main exclusions applying to Accident & Sickness Cover are pre-existing conditions, not being in work at the date you become unfit for work, engaging in criminal activity or illegal acts, terrorism, self-inflicted bodily injury, or sickness within the first 30 days from the commencement date of your policy.

The main exclusions applying to Involuntary Unemployment Cover are casual, temporary or seasonal employment, self-employment, expiry of a fixed term contract, dismissal following formal disciplinary procedures or serious misconduct, voluntary unemployment,

retirement, or unemployment within the first 30 days from the commencement date of your policy.

YOUR PREMIUM

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

- the amount and term of your loan;
- the insurance term you have chosen (this may be different to the term of your loan); and
- the cover you have chosen.

The greater the insured amount, the longer the insurance term and the more events you are covered for, the higher the premium will be for your Credit Protection policy.

St Andrew's does not take into account your age, gender, whether you are a smoker or non-smoker or your health when calculating your premium.

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:

- Stamp Duty
- Goods & Services Tax

All premiums for Credit Protection are inclusive of any applicable charges or taxes.

COMMISSION

For any Credit Protection policy sold, St Andrew's will pay a maximum commission of up to 20% of the premium payable by you, excluding any applicable government charges such as GST and stamp duty. Any commission St Andrew's pays is included in the premium you pay, it is not an additional charge on your premium.

PAYING YOUR PREMIUM

Depending on the type of loan you are taking out, different payment methods may be available to you. The person who assists you in arranging this insurance will advise you of the methods of payment available for the cover you choose. The Policy Schedule confirms the method of payment you have chosen for your premium.

Financed In

If your premium is paid out of your loan (financed into your loan), it will be paid as a single up front payment that covers you for the insurance term as shown on your Application and Policy Schedule. Please note that if you finance your premium into your loan, you may be charged interest on the amount borrowed to pay this premium by your financial institution.

Direct Debit

St Andrew's will accept payments of premium by monthly direct debit from bank accounts or credit cards. Your financial institution will advise you if this option is available to you. A minimum direct debit amount of \$15 per month is applicable.

PREMIUM CHANGES

We may review our premium rates for our policies from time to time. 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 of our Credit Protection rates). 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. If you have financed your premium into your loan, the premium will not increase for the insurance term shown on your Application and Policy Schedule.

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 definition of "insurance term" on page 23.

Mortgage Loans

If you choose to finance the premium into your mortgage loan, 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 or you choose to accept our guaranteed offer of renewal on the same policy conditions.

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 definition of "insurance term" on page 23.

Personal Loans

If you finance the premium into your personal loan, your insurance term must be the same as the term of your loan. Your policy will expire at the end of this period unless it is terminated on an earlier date because one of the events occurs as described in the definition of "insurance term" on page 23.

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 definition of "insurance term" on page 23.

Please note that this policy is non-transferable. Your cover will end under the policy immediately if your loan is repaid early or if your loan agreement is otherwise terminated or transferred to a different financier.

CHANGES TO YOUR LOAN

In the event that you increase the amount of your loan or refinance your loan, you will need to contact us if you want to increase your insurance cover or continue your insurance cover. Your cover will not automatically increase when you amend your loan agreement.

TAX

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 Credit Protection.

COOLING OFF PERIOD

If you are not completely satisfied with your policy, you can cancel this policy within the first 21 days (or otherwise as permitted by law) of the commencement date. Cancellations can be made by sending a written request to St Andrew's. If you cancel within this period we will refund any premiums paid in full unless a claim has been made or can be made.

CANCELLING YOUR POLICY

After the initial 21 day cooling off period, you may cancel this policy by giving us 30 days written notice. Your policy will be cancelled with effect from the date we process your written request for cancellation.

Premium paid by direct debit

Please note that if you pay your premium by direct debit and you repay your loan early, you must also give us 30 days written notice asking us to cancel your policy. Your policy will

not be automatically cancelled on repayment of your loan.

Premium financed in to your loan

If your premium was financed into your loan and you cancel your policy after the 21 day cooling off period for any reason, St Andrew's will apply the following formula for determining your refund (where Term is the number of months):

$$\frac{\text{Initial Premium (less taxes)} \times \text{Remaining Term} \times (\text{Remaining Term} + 1)}{\text{Initial Term} \times (\text{Initial Term} + 1)}$$

As an example, if your initial premium (less tax) was \$1,000 and your policy has an insurance term of 48 months and you cancelled it after 12 months, the refund would be:

$$\frac{1000 \times 36 \times (36+1)}{48 \times (48 + 1)} = \frac{1,332,000}{2,352} = \$566.33$$

Please note: Any refund due is paid to your financier to be credited to your loan account.

YOUR DUTY OF DISCLOSURE

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*.

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.

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 the cover that is life insurance, in exercising our rights, 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 which may reduce our liability under 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 Credit Protection. The most significant risks are that:

- a benefit may not be payable under this insurance because an exclusion applies or you did not satisfy your duty of disclosure; or
- the benefit we pay may be insufficient to meet your repayments under your loan agreement. This may occur if your minimum loan repayments or loan amount exceed the maximum benefits as set out on pages 7 and 8, or if your monthly repayments increase.

YOUR PRIVACY

For the purposes of this privacy section, "we" includes 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 Bank of Queensland, St Andrew's related companies and agents, 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 India, USA and Canada.

When you apply for Credit Protection you consent to us:

1. collecting, using and disclosing information about you in the manner described above; and

2. (unless you opt out) using your personal information to identify and provide you with information about products and services you may be interested in.

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

MAKING A CLAIM

We realise that when you are claiming, you may be in a stressful situation that you did not expect to find yourself in. We have designed a claims process to keep things as easy as possible for you. Just call 1300 653 751 for a claim form and we will guide you through the claims process. Claim payments will be made by St Andrew's to your financier to apply directly to your loan.

Claims must be made within 120 days of the date of the event giving rise to the claim.

Full claims procedures & obligations can be found on page 21.

GENERAL INSURANCE CODE OF PRACTICE

St Andrew's has willingly adopted the General Insurance Code of Practice which has been designed to promote good relations and good insurance practice between insurers, agents and consumers. The code sets out what we must do when dealing with you. Please contact us if you would like more information about the Code.

FINANCIAL CLAIMS SCHEME

The covers issued by St Andrew's 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 APRA website at www.apra.gov.au or by phoning APRA on 1300 55 88 49.

COMPLAINTS AND DISPUTES

As part of the General Insurance Code of Practice, the insurance industry has established a complaints resolution process to assist customers who feel their dispute has not been handled correctly.

If you should have any concerns regarding your Credit Protection policy, the decision St Andrew's has made on your claim or the service you received when you were advised about Credit Protection, please contact St Andrew's.

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 St Andrew's.

If you remain unhappy with the response, you may then contact the Financial Ombudsman Service. This is an independent body that deals with disputes concerning claims matters. This service is available at no cost to you. You may contact them on 1800 367 287.

Full dispute resolution procedures can be found on page 22.

PART B: POLICY WORDING

SECTION 1: GENERAL POLICY CONDITIONS

ELIGIBILITY

We will only insure you under this policy if you:

1. are aged 18 years and over and under 61 years of age when you apply for cover; and
2. are an **Australian Resident**.

Please note that Gold cover is available only if you are employed by an organisation carrying on business within Australia and working for at least 20 hours per week, and your work is not of a casual, temporary or seasonal nature. Gold cover is not available if your **Application** is made more than 60 days after the date of settlement of your **Loan Agreement**.

Silver cover is available only if you are either **Self Employed** or employed by an organisation carrying on business within Australia and working for at least 20 hours per week.

If you apply for cover in excess of \$500,000 or if the total amount of your cover with St Andrew's and its related companies would exceed \$500,000, you must complete a questionnaire. For more information see page 5.

We have complete discretion whether to accept or reject an **Application** for cover or to apply any special conditions to a policy. Any special conditions will be noted in your **Policy Schedule**.

JOINT INSURED

You and your co-borrower(s) may wish to be jointly insured under this policy. In that case, each of you must fulfil the eligibility criteria. If we agree to insure each of you, then you each must pay the applicable premium.

Please note that the benefit limits set out in this policy will apply to both of you as if the two of you were a single party, even when each of you is entitled to claim.

For example, the Accident or Sickness or Involuntary Unemployment benefit we will pay is one **Benefit Payment** for each 30 day period to the Financier, whether one or more of you are entitled to claim. Therefore, if more than one of you is simultaneously claiming for Accident & Sickness or Involuntary Unemployment, we will pay only one **Benefit Payment** to the **Financier** up to a maximum of the limits applicable under the policy. Similarly, if a benefit is paid under the Life Cover provided under the policy because one of you dies, the policy will cease at that time.

CONSEQUENTIAL LOSS

Under this policy we will not pay compensation for consequential financial loss or non-financial loss (including compensation for distress or inconvenience) in relation to a claim you make with St Andrew's Insurance.

CANCELLING THIS POLICY

When you may cancel this policy

You may cancel this policy at any time by sending us 30 days written notice of cancellation and cancellation will take effect from the date we process your request for cancellation.

When we may cancel this policy

We may cancel this policy:

- (i) if you fail to pay any premium when it is due under this policy and it remains unpaid for more than one month; or
- (ii) when we are entitled to do so under the Insurance Contracts Act 1984 (Cth).

Refund of premium

We will refund part of the premium to your **Financier** as calculated in accordance with the formula as detailed on page 10, if you have paid a single premium for the whole of the **Insurance Term** and:

- (a) your **Loan** has been repaid before the expiry of the **Insurance Term**; or
- (b) you cancel the policy; or
- (c) we cancel the policy.

Any applicable refund will be calculated from the date your written request is processed by us and will be paid to your **Financier** to be credited to your **Loan**.

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 for reinstatement. In order to reinstate your policy you must back-pay any premiums you may have missed. After this 30 day period, no requests for reinstatement will be accepted. If we reinstate your policy it will continue on the original policy conditions unless otherwise stated in your **Policy Schedule**.

CHANGING YOUR COVER

Subject to the eligibility rules, you may upgrade to Gold cover within the first 60 days from the **Commencement Date** of your policy. After this time you cannot change the amount insured or upgrade to Gold cover. You may however, at any time during the **Insurance Term**, increase from Bronze to Silver cover, or decrease to a lower option of cover (e.g. Gold to Silver) by applying for the change in writing.

MAXIMUM SUMS INSURED

The maximum amount we will pay under this policy for all claims made under this and any other policy underwritten by St Andrew's and its related companies in respect of you is limited to \$1,500,000. This limit applies whether single or joint insureds are insured under this policy.

The maximum amount we will pay under "Section 2: Life Cover" is \$1,500,000 including any benefit paid under any Life Insurance section in any other Credit Protection policy or any other policy underwritten by St Andrew's and its related companies in respect of you.

The maximum amount we will pay under "Section 3: Accident & Sickness Cover", including any benefit paid under any Accident & Sickness Cover section in any other policy underwritten by St Andrew's and its related companies in respect of you is \$12,000 for each 30 day period, up to a maximum of \$100,000 in total.

The maximum amount we will pay under "Section 4: Involuntary Unemployment Cover", including any benefit paid under any Involuntary Unemployment Cover section in any other policy underwritten by St Andrew's and its related companies is \$12,000 for each 30 day period, up to a maximum of \$100,000 in total.

FURTHER IMPORTANT INFORMATION ABOUT YOUR POLICY

You should note the following about your Credit Protection policy:

- This policy has no surrender value
- Nothing in this policy may be waived or modified except in writing signed by an Authorised Officer on our behalf
- Some of your insurance premium is paid to the distributor of the policy as commission
- You may not transfer your rights under this policy

- You must comply with all parts of this policy and take all reasonable steps to:
 - a) Minimise our risk; and to
 - b) Minimise the size of any claims you make
- The entire contract of insurance between you and us is comprised of this document (the Product Disclosure Statement including the Policy Wording) the **Policy Schedule** we send to you 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
- Any notices we send to you regarding this policy will be sent to the address you last notified to us. If you change your address you must notify St Andrew's at the address on page 4
- This contract is subject to the law of the State of Western Australia (as amended or affected by statutes of the Commonwealth of Australia)
- Accident Et Sickness Cover (only where the duration of the Loan Agreement is greater than 3 years) and Life Cover is written out of St Andrew's Life Insurance Statutory Fund No. 1
- 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 Et Services) Tax Act 1999.

SECTION 2: LIFE COVER

You have this cover if you have chosen the Gold, Silver or Bronze option and we accept your **Application**.

WHEN WE WILL PAY

If you die during the **Insurance Term**, we will pay the amount required to repay the **Loan** up to a maximum of 110% of the **Credit Limit**, as at the date of death, including:

- up to 3 months interest in arrears prior to the date of death or up to three months interest accrued after the date of death, but less;
- any amounts owing to the **Financier** under the **Loan Agreement** which at the time of your death are more than 3 months in arrears or in excess of your **Loan** or **Credit Limit**; and
- any interest on these amounts,

up to a maximum of \$1,500,000 as a total amount when added to any other benefits payable under the life insurance cover provided under any other policy underwritten by St Andrew's and its related companies in respect of you.

Interim Life Cover

If you die during the period between the date of approval of your **Loan** by your **Financier**, for which you have completed and signed an **Application** and the **Application** would have been accepted by us, and the date your **Loan** is settled we will pay the full amount of your Loan at settlement, even if the initial drawn down of your Loan is not the full amount. This is subject to the exclusions listed in the section titled "When we will not pay", and provided your death occurs within 180 days of the date of approval of your **Loan** by your **Financier**, up to a maximum of the lesser of 110% of your **Credit Limit** or \$1,500,000 when added to any other benefit payable under the life

insurance cover provided under any other policy underwritten by St Andrew's and its related companies in respect of you.

WHEN WE WILL NOT PAY

We will not pay a Life Cover benefit under this policy, if:

- a) you have reached 65 years of age; or
- b) your reason for claiming is as a result, directly or indirectly of:
 - (i) a **Pre-existing Condition**; or
 - (ii) you engaging in any criminal activities or illegal acts; or
 - (iii) suicide within 13 months of the **Commencement Date** of this policy; or
 - (iv) an act of **Terrorism**; or
 - (v) **Radioactive Contamination**.

SECTION 3: ACCIDENT & SICKNESS COVER

You have this cover if you have chosen the Gold or Silver option and we accept your **Application**. To be eligible to claim under Accident & Sickness Cover you must be in **Work** as at the date you became **Unfit for Work**.

WHEN WE WILL PAY

If you become **Unfit for Work** during the **Insurance Term** for a continuous period of more than 30 days from the date you became **Unfit for Work**, subject to the exclusions listed in the section entitled "When we will not pay", we will pay the **Daily Benefit** for each consecutive day after the first 30 days that you are **Unfit for Work**:

- until the earliest of the following dates:
 - (a) date on which you cease to be **Unfit for Work**; or
 - (b) date you fail to provide proof that you are **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
 - (c) the date on which you return to **Work**; or
 - (d) the date on which we have made 36 **Benefit Payments** (whether or not consecutive) in respect of all claims under this section, unless you are **Unfit for Work** directly or indirectly as a result of any psychotic or psychoneurotic illness, mental or nervous disorder (including depression) or stress or stress-related condition, as diagnosed by a consultant psychiatrist, in which case it is the date on which we have made 12 **Benefit Payments** (whether or not consecutive); or

- (e) the date the **Insurance Term** ends; and
- up to a maximum:
 - (i) of the minimum monthly repayment on your **Loan Agreement** as at the date you became **Unfit for Work**; or
 - (ii) where the finance is for a mortgage, of 1% of the **Credit Limit** for each 30 day period you are **Unfit for Work**; or
 - (iii) of \$12,000 for each 30 day period when added to any other benefit payable under the Accident & Sickness Cover part of any other policy underwritten by St Andrew's and its related companies in respect of you; and
 - (iv) of \$100,000 in respect of all claims under the Accident & Sickness Cover provided under any policy underwritten by St Andrew's and its related companies in respect of you.

PLEASE NOTE THAT:

If we stop paying the **Daily Benefit** because any of the events described in (a), (b) or (c) above has occurred, then we will not pay any further **Daily Benefit** under this section until you have returned to **Work** for a continuous period of at least 30 days (including weekends and public holidays). Where you are **Unfit for Work** over two periods separated by less than 30 days, we will treat this as a continuation of the prior claim and maximum benefit levels will apply including the maximum number of **Benefit Payments** that apply to one claim.

WHEN WE WILL NOT PAY

We will not pay an Accident & Sickness Benefit under this policy, if:

- a) you have reached 65 years of age; or
- b) your reason for claiming is as a result, directly or indirectly of a **Pre-existing Condition**; or
- c) you were not in **Work** as at date you became **Unfit for Work**; or
- d) you become **Unfit for Work** within the first 30 days of the **Insurance Term**, except where you became **Unfit for Work** due to an **Accident**; or
- e) we are currently paying a **Daily Benefit** under the Involuntary Unemployment Cover of this policy; or
- f) we ask you to attend an examination by a **Qualified Medical Practitioner** of our choice and you fail to do so; or
- g) you fail to follow the prescribed treatment plan as advised by Your treating **Qualified Medical Practitioner**; or
- h) you become **Unfit for Work** directly or indirectly as a result of:
 - (i) 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 of alcohol; or
 - (ii) **Civil Disorder**; or
 - (iii) **Radioactive Contamination**; or
 - (iv) engaging in any criminal activities or illegal acts; or
 - (v) **Terrorism**; or
 - (vi) intentionally self-inflicted bodily injury or attempted suicide; or
 - (vii) backache and related conditions unless there is radiological or other sufficient evidence of medical abnormality; or
 - (viii) childbirth, pregnancy, miscarriage, abortion or any complications arising from any of these; or
- (ix) any psychotic or psychoneurotic 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**.

SECTION 4: INVOLUNTARY UNEMPLOYMENT COVER

You have this cover if you have chosen the Gold option and we accept your **Application**.

WHEN WE WILL PAY

If you become **Unemployed** during the **Insurance Term** for a continuous period of more than 30 days, subject to the exclusions listed in the section entitled "When we will not pay", we will pay the **Daily Benefit** for each consecutive day after the first 30 days that you are **Unemployed**:

- until the earliest of the following dates:
 - (a) the date on which you cease to be **Unemployed** or fail to provide proof that you are **Unemployed**; or
 - (b) the date on which you return to **Work**; or
 - (c) the date on which we have made 6 consecutive **Benefit Payments** in respect of one claim under this section; or
 - (d) the date on which we have made 6 **Benefit Payments** in any 12 month period; or
 - (e) the date on which we have made 24 **Benefit Payments** in respect of all claims under this section; or
 - (f) 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 any policy underwritten by St Andrew's and its related companies in respect of you; or
 - (g) the date the **Insurance Term** ends; and
- up to a maximum:
 - (i) of the minimum monthly repayment on your **Loan Agreement** at the date of **Notification of Unemployment**; or

- (ii) where the finance is for a mortgage, of 1% of the **Credit Limit** for each 30 day period you are **Unemployed**; or
- (iii) of \$12,000 for each 30 day period when added to any other benefit payable under the Involuntary Unemployment Cover provided under any other policy underwritten by St Andrew's and its related companies in respect of you; and
- (iv) of \$100,000 in respect of all claims under the Involuntary Unemployment Cover provided under any policy underwritten by St Andrew's and its related companies in respect of you.

PLEASE NOTE THAT:

If we stop paying the **Daily Benefit** because any of the events described in (a) or (b) above has occurred, then we will not open a new claim under this section until you have returned to **Work** for a continuous period of at least 180 days (including weekends and public holidays). If you become **Unemployed** less than 180 days after we have finished paying you a benefit under this section we will treat any new claim as a continuation of the prior claim and maximum benefit levels will apply including the maximum number of **Benefit Payments** that apply to one claim.

WHEN WE WILL NOT PAY

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

- a) you have reached 65 years of age; or
- b) you receive notice that you will become **Unemployed** or you become **Unemployed**:
 - (i) before the **Insurance Term** commences; or
 - (ii) within the first 30 days of the **Insurance Term**; or

- c) immediately before you became **Unemployed**:
 - (i) you were engaged in an occupation in relation to which becoming **Unemployed** is a regular or recurring feature, for example seasonal employment; or
 - (ii) you were employed by a company or by any other employer controlled by you or your spouse, de facto spouse, parent, sibling, child, other relative or business associate (whether singly or jointly); or
 - (iii) you were employed on a temporary or casual 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) you are **Unemployed** directly or indirectly as a result of:
 - (i) dismissal following formal disciplinary procedures brought against you by your employer; or
 - (ii) instant dismissal due to your serious misconduct including, but not limited to, theft, assault, intoxication, or fraud; or
 - (iii) your voluntary decision to leave your employment; or
 - (iv) 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
 - (v) a strike or labour dispute; or
 - (vi) engaging in any criminal activities or illegal acts; or
 - (vii) 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 of alcohol; or

(viii) **Civil Disorder**; or

(ix) **Terrorism**; or

(x) **Radioactive Contamination**

The exclusions in (i) and (ii) 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.

- e) your **Unemployment** occurs after you have reached the earlier of normal or statutory retirement age for the occupation in which you were engaged; or
- f) you become **Unemployed** because you have completed the term of a fixed term contract of employment. This exclusion does not apply if:
 - (i) at the same time you completed the term of that fixed term contract of employment, you had been continuously employed by that employer for more than 2 years, and the term of the fixed term contract was for a minimum of 12 months and has been renewed at least once; and
 - (ii) there had been no period during which you were **Unemployed** before that fixed term contract of employment or a similar contract of employment was renewed.
- g) we are currently paying a **Daily Benefit** under the Accident & Sickness Cover of this policy; or
- h) you become **Unemployed** less than 180 days after we have finished paying you a benefit under this section. If this occurs we will treat this as a continuation of the prior claim and maximum benefit levels will apply including the maximum number **Benefit Payments** that apply to one claim.

SECTION 5: CLAIMS PROCEDURES AND OBLIGATIONS

1. If you wish to claim under this policy, you must give us written notice of your claim within 120 days of the date of the event giving rise to that claim. Should you notify us of the claim after 120 days and we, in our reasonable opinion, feel that you have prejudiced our position by doing so, we may restrict the benefit we pay to commence on the date we were notified of the claim. Your notice should be addressed to:

Head Office:

St Andrew's Australia
PO Box 7395
Cloisters Square WA 6850

Telephone: 1300 653 751
Facsimile: 1300 720 722

2. In addition:
 - (a) you will be required to fill out a claim form for all claims. For Accident & Sickness and Involuntary Unemployment claims you will be required to provide proof of employment as at the date you became **Unfit for Work**, or the date you became **Unemployed**. You must at your own expense provide to us any information and proof as 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 relevant certificates from the appropriate Australian Commonwealth Government unemployment authority or agency.
 - (b) so long as you are **Unfit for Work** or **Unemployed** and we are paying the **Daily Benefit**, you must, at your own expense, provide to us such proof that you are **Unfit for Work** or **Unemployed** as we may reasonably require.

- (c) if we ask you to attend a medical examination by a **Qualified Medical Practitioner** of our choice, you must do so. We will pay for such an examination.
- (d) if you die, your personal representative (or the person making the claim under this policy) must provide us with an original death certificate or a certified copy of the death certificate and such records or evidence of your medical history as we may reasonably require.

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 recover any benefit paid and costs incurred as a result of any such fraudulent or misleading claim.

SECTION 6: 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
Facsimile: 1300 720 722

Please supply your agreement 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 receipt in all cases. However, 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 above address.

Should the matter still not be resolved to your satisfaction, you may refer the matter for an external review. You do this by putting your position in writing to the person listed below.

The Executive Officer Financial Ombudsman Service

GPO Box 3
Melbourne VIC 3001
Telephone: 1800 367 287
Facsimile: (03) 9613 6399

Website: www.fos.org.au
Email: info@fos.org.au

This organisation investigates and determines complaints. Their decisions are binding on us (up to specified limits) but not on you. It is a service provided without charge to you.

SECTION 7: MEANING OF THE WORDS USED IN THIS POLICY

In this Part B, some words are printed in bold text and begin with a capital letter, for example, **Insurance Term**. These words have the special meanings described below. The same terms used in Part A also have these meanings. However, in Part A they are not identified by capital letters and bold text:

Accident means an accidental, external, visible and 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 Credit Protection.

Australian Resident means a person who has been living lawfully and permanently in Australia for at least 200 days in the last 12 months and there is no legal reason preventing you from remaining in Australia indefinitely. Individuals on temporary visas are not considered to be **Australian Residents** under this policy.

Benefit Payment means 30 **Daily Benefits**.

Business Day means a day on which trading banks are open for general banking business in Perth, Western Australia.

Civil Disorder means a war (whether declared or not), civil war, military activity other than normal peacetime activity, rebellion, revolution, riot or other civil commotion.

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 on your **Policy Schedule**.

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

Daily Benefit means the amount which would be due from you to the **Financier** under the **Loan Agreement**, as at the date you are **Unfit for Work** or the date of **Notification of Unemployment**, if repayments had to be made daily (including on weekends and public holidays) but excluding default charges.

Your **Daily Benefit** will be capped at the lesser of:

- 1/30th of \$12,000;
- 1/30th of 1% of your **Credit Limit** if you have a mortgage Loan.

Financier means the company named as such in your **Application**.

Insurance Term is the period starting on your policy **Commencement Date** and ending on the earliest of the following dates:

- (a) the date on which the final repayment under the original **Loan Agreement** falls due;
- (b) the date you die;
- (c) the date you reach 65 years of age;
- (d) the expiry date (where applicable) for the cover as shown on your **Policy Schedule**, if you do not elect to renew your policy;
- (e) the date on which you cease to reside permanently in Australia or the date you become employed outside of Australia or its territories (unless we agree in writing to the contrary);
- (f) the date your policy is cancelled for any of the reasons listed on page 13 of this policy;
- (g) the date your policy is cancelled following receipt by us of 30 days written notice from you;
- (h) the date we have paid our maximum benefits payable under the policy in respect of Life Cover.

Please note that in the case of joint insureds, conditions (b), (c) and (e) will be applied separately to each insured.

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. You must contact us to arrange for a change in your level of cover.

Loan means the amount outstanding from time to time under the **Loan Agreement** or such amount as disclosed in your **Application** whichever is the lesser.

Loan Agreement means the agreement with the **Financier** in respect of the **Loan** bearing the account number set out in your **Application**.

Notification of Unemployment means the first intimation given to you either orally or in writing of your impending **Unemployment**, given either by or on behalf of your employer or by a trade union official.

Pre-existing Condition means a sickness, disability, mental health condition or other condition relating to your health:

- (a) which existed or you were aware of, or which a reasonable person in your circumstances could be expected to have been aware of, on the date of your **Application** for your policy; or
- (b) which, in the 12 months prior to, and including the date of **Application** for your policy:
 - (i) you have received medical advice, treatment, diagnosis or care from a **Qualified Medical Practitioner**; or
 - (ii) you have experienced symptoms, whether or not diagnosed, or where medical investigations had commenced.

Policy Schedule means the document we send to you titled **Policy Schedule**, specific to your Credit Protection policy. This also includes any notices we send to you in writing.

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.

Radioactive Contamination means ionising radiations or contamination by radioactivity from any nuclear waste, or from the combustion of nuclear fuel or from the radioactive, toxic, explosive or other hazardous properties of nuclear assembly or nuclear component thereof.

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

Terrorism means an act or threat, including but not limited to the use of force or violence, intended to advance a political, ideological or religious cause by coercing or intimidating an Australian or foreign government or the public, by causing serious harm to people or property, creating a serious risk of health and safety to the public, disrupting trade, critical infrastructure or electronic systems.

Unfit for Work means suffering from a condition solely as a result of accidental bodily injury, 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 unfit for **Work**.

Unemployment/Unemployed means the termination of your employment by your employer (subject to When We Will Not Pay under Section 4 listed on page 19); and you being registered as unemployed with the Australian Commonwealth Government and you are in receipt of unemployment benefits (unless you are not eligible to receive unemployment benefits because of the level of income earned by your spouse); and actively seeking **Work**.

Work means **Self Employed** or employed by an organisation carrying on business within Australia under a contract of employment and working through personal exertion for at least 20 hours per week for remuneration or reward.

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:

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

we/us/our in relation to Accident & Sickness Cover (only where the duration of the **Loan Agreement** 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.

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For more information on Credit Protection
visit us at boq.com.au or call 1300 55 72 72

In the event of an emergency overseas please call 24 hours a day,
7 days a week +61 7 3336 2222

