

St.George Protection Plans for Mortgage Customers

Product Disclosure Statement and Financial Services Guide

- Term Life for Mortgages
- Income Protection for Mortgages

Effective date: 1 June 2015

This is a Combined Financial Services Guide and Product Disclosure Statement.

The Product Disclosure Statement on pages 2 to 25 is issued by:
Westpac Life Insurance Services Limited, ABN 31 003 149 157 AFSL No.233728

The Financial Services Guide on page 26 is issued by:
St.George - A division of Westpac Banking Corporation, ABN 33 007 457 141 AFSL No.233714



St.George Protection Plans for Mortgage Customers Product Disclosure Statement

Introducing St.George Protection Plans for Mortgage Customers

Insurance can help you to be prepared for the best possible outcome if the unexpected happens.

St.George Protection Plans for Mortgage Customers offers protection to help you continue to pay off your mortgage and meet other costs, if:

- you suffer a *terminal illness* or die (**Term Life for Mortgages**), or
- you cannot work due to *sickness or injury* (**Income Protection for Mortgages**).

St.George Protection Plans for Mortgage Customers is optional and is not a condition of your *property loan*. The amount of cover does not change as your *property loan* is repaid and your *Policy* will continue after your *property loan* has been repaid in full unless you cancel your *Policy*.

Who's responsible for St.George Protection Plans for Mortgage Customers

Term Life for Mortgages and Income Protection for Mortgages are issued by Westpac Life Insurance Services Limited ABN 31 003 149 157 (the *Insurer*).

Term Life for Mortgages and Income Protection for Mortgages are distributed by St.George – A division of Westpac Banking Corporation ABN 33 007 457 141 (the *Bank*).

The *Insurer* is a wholly owned subsidiary of the *Bank*. The *Insurer* is not an authorised deposit-taking institution, and the *Bank* does not stand behind the *Insurer*. Term Life for Mortgages and Income Protection for Mortgages are not deposits with or other liabilities of the *Bank*, and the *Bank* does not guarantee the insurance.

About this Product Disclosure Statement

This St.George Protection Plans for Mortgage Customers Product Disclosure Statement (*PDS*) includes information to help you make an informed decision about whether to purchase Term Life for Mortgages and Income Protection for Mortgages, including information about the significant benefits and the cost.

As you read through this *PDS*, you will notice that some words are in *italics*. These words have a specific meaning, which you can find in the "Definitions" section of this *PDS*. In particular, in this *PDS*:

- "Insured Person" means the person whose life is insured, or the life to be insured. The name of each *Insured Person* will be set out in the *policy schedule*.

In addition, in this *PDS*, unless otherwise indicated:

- "you" and "your" mean the *Policy Owner(s)*. The name(s) of the *Policy Owner(s)* will be set out in the *policy schedule*; and
- "we", "us" and "our" mean the *Insurer*, except in the sections "Privacy" and "Enquiries and complaints", where it means the *Bank* and the *Insurer*.

The information in this *PDS* is subject to change, for example, due to changes in the law. If we become aware of any change that is materially adverse to potential policy holders, we will issue a supplementary or replacement Product Disclosure Statement. We may provide other updates, which will be available at stgeorge.com.au, or call 1300 366 416 for a free paper copy.

To find out more or apply for cover

If you'd like more information, or you're interested in applying for St.George Protection Plans for Mortgage Customers, talk to your home loan provider, who can refer you to one of the *Bank's* insurance specialists.

When applying for this insurance, it is important that you comply with your **Duty of Disclosure** (see below).

If we accept your application, we will send you a *policy schedule*. The *policy schedule* sets out details of your *Policy*, the applicable sum insured(s), and your premium.

This *PDS* and your *policy schedule* set out the full terms and conditions of your *Policy*. Make sure you keep these documents in a safe place so you can refer to them if you have any questions, or need to make a claim.

Duty of Disclosure

What you need to tell us, who needs to tell us and when

You have a duty, under the *Insurance Contracts Act 1984*, to tell us every matter that you know, or which a reasonable person in the circumstances could be expected to know, is relevant to our decision whether to insure you and, if so, on what terms.

Every person to be insured under your *Policy* will have the same duty of disclosure. If they fail to comply with their duty, we may treat the failure to disclose any relevant matter as a failure by you to comply with your duty of disclosure.

Your duty of disclosure applies before, and up until the time, you enter into, extend, vary or reinstate the *Policy*, being the time when we issue a *policy schedule* or other written confirmation of the issue, variation or reinstatement.

If any information provided to us changes (including any change to an *Insured Person's* health, occupation or pastimes) before we send the *policy schedule* or other written confirmation to you, you must tell us.

What you do not need to tell us

The duty does not require disclosure of any matter:

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;
- 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.

What happens if you breach the duty

If you fail to comply with your duty, we may be entitled to reduce our liability in respect of a claim, refuse a claim, and/or vary or cancel your *Policy*. We may also have the option of treating the *Policy* as never having existed.

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1. St. George Protection Plans for Mortgage Customers

Life insurance doesn't need to be complicated and it's important mortgage customers have access to simple and convenient insurance solutions. Most people probably don't think twice about insuring their car, home or valuables. When it comes to your health and income, it's just as important to make sure these are adequately covered. Your ability to work and produce an income helps to fund the lifestyle that you and your family enjoy. Taking out insurance against sickness, injury or death could help financially protect you and your family against the unexpected.

Summary of benefits

The following tables provides a summary of the core benefits provided by Term Life for Mortgages and Income Protection for Mortgages, together with the additional Total Support Benefits. The benefits are subject to limitations and exclusions. For more detail, the full terms and conditions are outlined in the relevant sections of this PDS.

TERM LIFE FOR MORTGAGES	
Summary of Core Benefits	
Death Benefit and Terminal Illness Benefit	<p>If the <i>Insured Person</i> suffers a <i>terminal illness</i> or dies, pays the amount of the "Death Benefit".</p> <p>Apply for a "Death Benefit" of at least \$50,000, up to the lesser of:</p> <ul style="list-style-type: none"> • the <i>property loan</i> amount; and • \$750,000.
Summary of Total Support Benefits	
Counselling Benefit	If we pay a Death Benefit or Terminal Illness Benefit, reimburses the costs of up to 10 eligible counselling sessions, up to a total of \$5,000.
Financial Planning Benefit	If we pay a Death Benefit or Terminal Illness Benefit, reimburses the costs of eligible financial advice, up to a total of \$5,000.
Funeral Advancement Benefit	If the <i>Insured Person</i> dies, advances up to 10% of the "Death Benefit" to help meet funeral and related costs, up to a maximum of \$25,000.

INCOME PROTECTION FOR MORTGAGES

Summary of Core Benefits

Total Disability Benefit and Partial Disability Benefit	<p>If the <i>Insured Person</i> is unable to work at their full capacity due to <i>sickness or injury</i>, pays a monthly benefit after the 30 day <i>waiting period</i> for up to 2 years, to help cover mortgage repayments and other costs. The amount of the monthly benefit will depend on whether the <i>Insured Person</i> is <i>totally disabled or partially disabled</i>.</p> <p>Apply for an <i>insured monthly benefit</i> in the event of <i>total disability</i> of at least \$300, up to the lesser of:</p> <ul style="list-style-type: none"> • \$7,500; and • 50% of <i>monthly earnings</i>.
Recurrent Disability Benefit	If the <i>Insured Person</i> suffers from the same or a related <i>sickness or injury</i> that has previously resulted in us accepting a claim under your Income Protection for Mortgages <i>Policy</i> , we will waive the <i>waiting period</i> in eligible circumstances.
Elective Surgery Benefit	If the <i>Insured Person</i> is <i>totally disabled or partially disabled</i> as a result of a specified type of elective surgery, pays the Total Disability Benefit or the Partial Disability Benefit (as applicable).
Income Protection for Mortgages Death Benefit	If the <i>Insured Person</i> dies while we are paying a Total Disability Benefit or Partial Disability Benefit, pays a benefit equal to 6 times your <i>insured monthly benefit</i> .

Summary of Total Support Benefits

Rehabilitation Expense Benefit	Reimburses eligible rehabilitation costs up to 6 times the <i>insured monthly benefit</i> , including expenses for wheelchairs, artificial limbs, re-education, and home or workplace modifications.
Rehabilitation Program Benefit	Reimburses the costs of eligible rehabilitation programs up to 6 times the <i>insured monthly benefit</i> .
Return to Work Benefit	If we have paid either the Rehabilitation Expense Benefit or the Rehabilitation Program Benefit, pays a benefit when the <i>Insured Person</i> re-enters the workforce and is <i>gainfully employed</i> full time for a minimum of 3 consecutive months.

ADDITIONAL FEATURES

Interim Accident and Sickness Cover	From the moment we receive your completed application, you are covered by Interim Accident and Sickness Cover.
Guaranteed Renewable	Provided your premiums are paid when due, your St.George Protection Plans for Mortgage Customers <i>Policy</i> will continue for the term specified in this <i>PDS</i> . This means we won't cancel your <i>Policy</i> if there is a change in an <i>Insured Person's</i> health and occupation.
Loyalty Benefits	To reward your loyalty, after you have held: <ul style="list-style-type: none"> • a Term Life for Mortgages policy for 3 years, we will add an extra 5% to any Terminal Illness Benefit or Death Benefit payable under your <i>Policy</i>; and • an Income Protection for Mortgages policy for 3 years, we will pay an extra \$50,000 should you die while your <i>Policy</i> is in-force.
Premium Holiday	If your <i>Policy</i> has been in-force and the premiums paid for at least 6 months, we will allow you to suspend your <i>Policy</i> once in any 12 month period for a maximum of 6 months in total over the duration of the <i>Policy</i> if you are or will be unemployed; on extended leave; or experiencing a reduction in household income.
Multi-Policy Discount	If the <i>Insured Person</i> is covered by both Term Life for Mortgages and Income Protection for Mortgages, you will receive a multi-policy premium discount of 5% on the premiums.
Guaranteed Upgrades	Should better features and benefits become available in future which don't result in an increase in premium, we will automatically upgrade your <i>Policy</i> . At claim time, we will always give you the best terms applicable to your <i>Policy</i> , from the time of commencement to the date of the cause of your claim.
Worldwide Cover - 24 hours a day	We will provide you with cover anytime, anywhere in the world. However, Income Protection for Mortgages' benefits are only payable for a maximum of 6 months if the <i>Insured Person</i> is living outside Australia at any time during payment of the benefit.

Who can apply

Eligibility

You may apply for Term Life for Mortgages and/or Income Protection for Mortgages if the proposed *Insured Person* is:

- applying for, or has, a *property loan*;
- an Australian resident; and
- between 18 and 59 years of age (inclusive).

In addition, to apply for Income Protection for Mortgages policies, you must be working at least 20 hours per week in continuous and regular employment (including self-employment or in a partnership).

If you do not meet the eligibility criteria, please call 1300 558 553, 8.30am to 6.30pm (Sydney time), Monday to Friday, to discuss your life insurance needs.

Policy Ownership

Each *Policy Owner* must be an individual person.

For Term Life for Mortgages policies, at our discretion, there can be more than one *Policy Owner* and more than one *Insured Person*. A *Policy Owner* does not also have to be an *Insured Person*.

For Income Protection for Mortgages policies, there can only be one *Policy Owner* and one *Insured Person*, and the *Policy Owner* and the *Insured Person* must be the same person.

How to apply

Decide on the cover you need

In this *PDS*, you will find important information about St. George Protection Plans for Mortgage Customers, including the types of cover that may be available to you. Make sure you read it to understand the insurance benefits, features, limitations, conditions and exclusions.

Ask your home loan provider to introduce you to an insurance specialist to help with your application

Your home loan provider or another member of the *Bank's* team can introduce you to an insurance specialist who can assist with completing your application over the phone.

When you apply for insurance, we ask questions, including about the *Insured Person's* health and occupation, to enable us to determine whether to insure you and, if so, on what terms.

When applying for this insurance and answering our questions, it is important that you comply with your ***Duty of Disclosure*** (see inside the front cover of this *PDS*).

We assess your application

We will review the information you provide to assess your application. If we need additional information, we will contact you. In most cases, we will offer the cover as requested. Occasionally, we may only be able to offer a policy with special conditions, or we may need to decline your application altogether. If this happens we will inform you. While we are considering your application, we provide free Interim Accident and Sickness Cover (see page 12 of this *PDS*).

Confirming your cover

If we accept your application, we will send you a *policy schedule*. The *policy schedule* sets out details of your *Policy*, the applicable sum insured(s), and your premium.

This *PDS* and your *policy schedule* set out the full terms and conditions of your *Policy*. Make sure you keep these documents in a safe place so you can refer to them if you have any questions, or need to make a claim.

When your Policy starts

Your *Policy* starts on the *commencement date* stated in your *policy schedule*, subject to us receiving the required premium.

Cooling off period

If you change your mind, you can cancel your *Policy* within the cooling off period and receive a full refund of any premium and other payments that you've paid. The cooling off period begins on the *commencement date*, and ends on the earlier of:

- 28 days from the *commencement date*; and
- 23 days after you receive your *policy schedule*.

Call 1300 366 416, 8.00am to 6.30pm (Sydney time), Monday to Friday, or write to us at GPO Box 4582, Sydney NSW 2001. When we receive your request, we will cancel your *Policy* from the *commencement date* and refund any premium and other payments you have made (less any tax that may apply to your premium). You cannot exercise your rights under the cooling off period if you have already made a claim under the *Policy*.

2. Understanding Term Life for Mortgages

Term Life for Mortgages pays a benefit if the *Insured Person* suffers a *terminal illness* or dies.

You can apply for Term Life for Mortgages cover of at least \$50,000, up to the lesser of:

- the *property loan* amount; and
- \$750,000.

The maximum initial sum insured includes all cover for an *Insured Person* under any policy issued by us providing death cover.

Death Benefit

If the *Insured Person* dies during the *Period of Insurance*, we will pay the amount of the “*Death Benefit*” shown in the *policy schedule* (less any amount advanced under the Funeral Advancement Benefit, plus any Loyalty Benefit).

Cover is subject to exclusions (see page 11 of this *PDS*).

The “*Death Benefit*” will be paid to, as at the time of the *Insured Person’s* death:

- the nominated *beneficiary* or *beneficiaries* shown in the *policy schedule*, or
- if there is no nominated *beneficiary*, the remaining *Policy Owner(s)* or, if the last living *Policy Owner* has died, to their estate.

Terminal Illness Benefit

If the *Insured Person* is first diagnosed with a *terminal illness* during the *Period of Insurance*, we will pay the amount of the “*Death Benefit*” shown in the *policy schedule* (plus the amount of the Loyalty Benefit if applicable).

Cover is subject to exclusions (see page 11 of this *PDS*).

The Terminal Illness Benefit will be paid to the *Policy Owner(s)* at the time of first diagnosis of the *terminal illness*.

If a Terminal Illness Benefit is paid, the cover under Term Life for Mortgages in respect of the relevant *Insured Person* will end (except for the Counselling Benefit and the Financial Planning Benefit, described on page 6 of this *PDS*).

Nominating a beneficiary

You are able to nominate up to five beneficiaries to receive a Death Benefit, subject to the following rules:

- a *beneficiary* can only be a natural person, corporation or trust;
- if ownership of the *Policy* is assigned or transferred to another person or entity, then any previous nomination becomes invalid; and
- you can change your nomination at any time by sending us written notice of the change.

Example of Death Benefit Claim

You and your partner take out a property loan borrowing \$400,000. You each take out a Term Life for Mortgages policy with a “*Death Benefit*” of \$400,000. If you both were to die in an accident, we would pay a total of \$800,000 (ie. \$400,000 for each insured person), subject to each policy’s terms.

Total Support Benefits

We will provide you with additional support, by helping you and your family with a range of benefits which provide practical support when you need it most.

Counselling Benefit

If we pay a Death Benefit or Terminal Illness Benefit, we will pay the Counselling Benefit to the recipient of the relevant benefit.

Under the Counselling Benefit, we will reimburse the costs of up to 10 counselling sessions, up to a total of \$5,000, for you, the *Insured Person*, or an *immediate family member* of the *Insured Person*.

The Counselling Benefit will only be paid once per *Insured Person* under all policies issued by us in respect of that *Insured Person*.

The following conditions must be met for the Counselling Benefit to be paid:

- the counselling session(s) must be provided by an accredited counsellor approved by us;
- the Counselling Benefit must be claimed within 12 months of payment of the Death Benefit or Terminal Illness Benefit; and
- the recipient must be able to provide a copy of the invoice(s) showing a breakdown of the services provided and a receipt showing the amount paid.

We will not pay for any costs to the extent prohibited by law.

Financial Planning Benefit

If we pay a Death Benefit or Terminal Illness Benefit, we will pay the Financial Planning Benefit to the recipient of the relevant benefit.

Under the Financial Planning Benefit, we will reimburse the costs of obtaining financial advice, up to a total of \$5,000.

The Financial Planning Benefit will only be paid once per *Insured Person* under all policies issued by us in respect of that *Insured Person*.

The following conditions must be met for the Financial Planning Benefit to be paid:

- the financial advice must be provided by an authorised financial planner;
- we will only reimburse amounts relating to the preparation and presentation of a financial plan and not amounts relating to the implementation of the plan, or commission paid to a financial planner;
- the Financial Planning Benefit must be claimed within 12 months of payment of the Death Benefit or Terminal Illness Benefit; and
- the recipient must be able to provide a copy of the invoice(s) showing a breakdown of the services provided, and a receipt showing the amount paid.

Funeral Advancement Benefit

If the *Insured Person* dies, we will advance 10% of the Death Benefit to the anticipated recipient(s) of the Death Benefit, to help meet funeral and related costs, up to a maximum of \$25,000.

We will require evidence verifying the date and cause of death which is acceptable to us.

The Death Benefit will be reduced by the amount paid under the Funeral Advancement Benefit.

The payment of this benefit does not mean that any other benefit under the *Policy* will be admitted. We reserve the right to recover any amount paid under the Funeral Advancement Benefit if we determine that the Death Benefit is not payable.

This benefit is only payable once for each *Insured Person* under all policies issued by us.

3. Understanding Income Protection for Mortgages

Income Protection for Mortgages pays a monthly benefit to help cover the cost of mortgage repayments and other costs if the *Insured Person* is unable to work at their full capacity due to *sickness* or *injury*. The amount of the monthly benefit will depend on whether the *Insured Person* is *totally disabled* or *partially disabled*.

You can apply for an *insured monthly benefit* payable in the event of *total disability* of at least \$300, up to the lesser of:

- \$7,500; and
- 50% of *monthly earnings* at the time of your application.

When considering the amount of the *insured monthly benefit*, you should note that the *insured monthly benefit* may be subject to income tax. You should seek independent tax advice.

The *waiting period* and *benefit period* that apply to your Income Protection for Mortgages *Policy* will determine when any benefit payments under your *Policy* will commence and the maximum length of time it can be paid for.

If the *Insured Person* is *totally disabled* or *partially disabled* for less than a complete month at any time after the *waiting period*, the amount of the benefit will be reduced on a pro-rata basis based on a 30 day month.

If the *Insured Person* becomes unemployed or they take leave without pay, parental or sabbatical leave, cover under the *Policy* will continue, provided you pay premiums and any other amounts due.

Waiting Period

The *waiting period* is the amount of time from when the *Insured Person* becomes *totally* or *partially disabled* to the date when your Total Disability Benefits or Partial Disability Benefits begin to accrue.

The *waiting period* is 30 days.

The *waiting period* does not stop running if the *Insured Person* returns to work at full capacity for up to a total of 5 days during the *waiting period*.

Otherwise, the *Insured Person* must be continuously *totally disabled* or *partially disabled* throughout the *waiting period*. If the *Insured Person* ceases to be *totally disabled* or *partially disabled*, the *waiting period* stops running. If the *Insured Person* becomes *totally disabled* or *partially disabled* again, the full 30 day *waiting period* will apply from the date that they become *totally disabled* or *partially disabled* again.

Benefit Period

The *benefit period* is the maximum amount of time you will be paid the Total Disability Benefit or the Partial Disability Benefit in the event the *Insured Person* is *totally disabled* or *partially disabled* because of a particular *sickness*, *injury* or other cause.

The *benefit period* is 2 years.

A Total Disability Benefit or Partial Disability Benefit will continue to be payable until the earliest of:

- the end of the *Insured Person's* *total disability* or *partial disability* (as applicable);
- the time when the aggregate of the period for which a Total Disability Benefit or Partial Disability Benefit was payable to you is equal to the *benefit period*; and
- your Income Protection for Mortgages *Policy* ends.

Example of Total Disability Benefit Claim

Your insured monthly benefit is \$2,000. If you become totally disabled then, after the 30 day waiting period, we will pay you \$2,000 each month for up to 2 years, subject to your policy's terms.

Total Disability Benefit

If the *Insured Person* becomes *totally disabled* during the *Period of Insurance*, we will pay the *insured monthly benefit* to you. *Insured monthly benefits* will accrue after the end of the *waiting period* and are payable monthly in arrears.

If the *Insured Person* has overstated their monthly earnings at the time of applying for, or increasing their *Income Protection for Mortgages Policy*, we may reduce the amount payable to reflect the amount of the monthly benefit that we would have offered if the *Insured Person's monthly earnings* had not been overstated.

If the *Insured Person* is unemployed for reasons other than *total disability* or they take leave without pay, parental or sabbatical leave for 12 months or more immediately before suffering *total disability*, they will only be considered *totally disabled* if, solely because of *sickness or injury* they are:

- unable to perform any occupation for which they are reasonably suited by education, training or experience;
- not working; and
- under the *regular care* of a *doctor*.

Cover is subject to limitations and exclusions (see page 9 and 11 of this *PDS*).

Advanced Partial Payment

We may make an advanced partial payment for your first monthly benefit at our discretion. The advanced partial payment is payable a fortnight after the *waiting period* ends, and is payable in arrears. The amount of the advanced partial payment is calculated on a pro-rata basis based on a 30 day month.

If we make an advanced partial payment under your *Income Protection for Mortgages Policy*, the remainder of your monthly benefit will be payable at the end of the month. The amount payable will be your *insured monthly benefit*, less the amount of the advanced partial payment.

Partial Disability Benefit

If the *Insured Person* becomes *partially disabled* during the *Period of Insurance*, we will pay a monthly *Partial Disability Benefit* to you, calculated as follows. The monthly *Partial Disability Benefits* will accrue after the end of the *waiting period*.

$$\frac{(A - B) \times C}{A}$$

A

A = *Pre-disability monthly earnings*

B = *Post-disability monthly earnings*

C = *Insured monthly benefit*

Cover is subject to limitations and exclusions (see page 9 and 11 of this *PDS*).

Recurrent Disability Benefit

If the *Insured Person* suffers from the same or a related *sickness or injury* that has previously resulted in us accepting a claim under your *Income Protection for Mortgages Policy* in respect of the *Insured Person*, we will waive the *waiting period* in the following circumstances.

A new *waiting period* will not apply if, within 6 months after a *Total Disability Benefit* or *Partial Disability Benefit* ceases to be payable, the *Insured Person* suffers *total disability* or *partial disability* from the same or a related *sickness or injury*. The successive periods during which benefits are payable will be added together to determine when the *benefit period* expires.

A new *waiting period* will apply in all other circumstances.

Elective Surgery Benefit

We will regard the *Insured Person* as being *totally disabled* or *partially disabled*, as applicable, for the purposes of the Total Disability Benefit and the Partial Disability Benefit, if:

- the *Insured Person* undergoes surgery by a *doctor* during the *Period of Insurance* to:
 - transplant part of their body to another person; or
 - improve their appearance or to prevent their disfigurement; and
- as a consequence of the surgery, the *Insured Person* becomes *totally disabled* or *partially disabled*, notwithstanding that the *total disability* or *partial disability* may not be caused by *sickness* or *injury*.

The *waiting period* will commence from the day on which the *Insured Person* undergoes surgery.

In all other respects, the terms and conditions applying to the payment of a Total Disability Benefit or Partial Disability Benefit (as applicable) will apply to a claim under the Elective Surgery Benefit.

Income Protection for Mortgages Death Benefit

If the *Insured Person* dies while we are paying a Total Disability Benefit or Partial Disability Benefit, a benefit equal to 6 times your *insured monthly benefit* will be paid to your estate.

Cover is subject to exclusions and limitations (see below and page 11 of this *PDS*).

Limitations

- If *total disability* or *partial disability* results from more than one cause (be it *sickness*, *injury*, or *elective surgery*), we will only pay benefits in respect of one cause at any one time that being the one which provides you with the highest benefit.
- We will not pay more than one of the following benefits at the same time – the Total Disability Benefit, the Partial Disability Benefit, and the Return to Work Benefit.
- A benefit is only payable for a maximum of 6 months if the *Insured Person* is living outside Australia at any time during payment of the benefit. If the *Insured Person* returns to live in Australia, claims payments can recommence provided the *Insured Person* remains living in Australia and eligible to claim.

Offsets

We may reduce the amount of the monthly benefit payable, or recover any monthly benefit paid, in respect of a claim under the Total Disability Benefit or the Partial Disability Benefit by payments paid or payable in respect of the *Insured Person* in respect of the *sickness*, *injury*, *total disability* or *partial disability* resulting in the claim, from the following sources:

- regular payments under a contract of life insurance, including life insurance provided through superannuation (including regular payments which are converted to a lump sum);
- workers or motor accident compensation in respect of *Insured Persons* in occupation categories BB, B or C as shown in your *policy schedule*; and
- other sources noted in your *policy schedule*.

We will reduce the amount of the monthly benefit payable, or recover any monthly benefit paid, such that the amount payable for the claim under the Total Disability Benefit or Partial Disability Benefit, together with payments paid or payable from the sources above, does not exceed 75% of the *Insured Person's pre-disability monthly earnings*.

If any of the payments referred to above are paid as a lump sum, we will convert the amount of the payment to an equivalent monthly amount.

What we do not offset

We do not offset the following amounts:

- payments made from the sources above as compensation for pain and suffering or the loss of use of part of the body;
- Total and Permanent Disablement, Living/Trauma or Terminal Illness payments;
- payments made under a business expense insurance policy; or
- an entitlement to paid sick leave.

Total Support Benefits

We will provide you with additional support, by helping you and your family with a range of benefits which provide practical support when you need it most.

Rehabilitation Expense Benefit

We will pay you a Rehabilitation Expense Benefit, in addition to any other benefit under your Income Protection for Mortgages Policy, if the *Insured Person*:

- has suffered *total disability* for a continuous period at least as long as the *waiting period*; and
- incurs the costs of rehabilitation equipment or other capital expenses during the course of rehabilitation or engaging (or attempting to engage) in an occupation, which the *Insured Person's doctor* has certified as being necessary.

The costs must be approved by us before they are incurred.

Examples of eligible costs may include the cost of a wheelchair, artificial limbs, re-education, and home or workplace modifications.

We will reimburse the actual rehabilitation costs incurred by the *Insured Person* up to a maximum of 6 times the *insured monthly benefit*.

We will not pay this benefit for costs that are reimbursable from any other source.

We will not pay for any costs to the extent prohibited by law.

Rehabilitation Program Benefit

We will pay you a Rehabilitation Program Benefit, in addition to any other benefit under your Income Protection for Mortgages Policy, if the *Insured Person*:

- has suffered a *total disability* for a continuous period at least as long as the *waiting period*; and
- incurs the costs of a rehabilitation program during the course of rehabilitation or engaging (or attempting to engage) in an occupation, which the *Insured Person's doctor* has certified as being necessary.

The costs must be approved by us before they are incurred.

We will reimburse the actual rehabilitation program costs incurred by the *Insured Person* up to a maximum of 6 times the *insured monthly benefit*.

The *Insured Person* must take part in the rehabilitation program to rehabilitate themselves because of the *total disability* resulting in the claim and not for any other reason.

We will not pay you this benefit for costs that are reimbursable from any other source.

We will not pay for any costs to the extent prohibited by law.

Return to Work Benefit

We will pay you the Return to Work Benefit if we have paid the Rehabilitation Expense Benefit or the Rehabilitation Program Benefit, and the *Insured Person* becomes *gainfully employed* on a full time basis.

We will pay the equivalent of:

- the *insured monthly benefit* if the *Insured Person* becomes *gainfully employed* on a full time basis for a minimum of 30 hours per week or more for 3 consecutive months; and
- a further two times the *insured monthly benefit* if the *Insured Person* becomes *gainfully employed*, on a full time basis for 30 hours per week or more for 6 consecutive months.

The Return to Work Benefit is paid in arrears.

4. Exclusions

We will not pay a benefit under Term Life for Mortgages or Income Protection for Mortgages if the event giving rise to the claim is caused by or contributed to by the *Insured Person* taking part in motor racing, trail bike riding, scuba diving or aviation (other than as a fare-paying passenger).

Term Life for Mortgages

Death Benefit and Funeral Advancement Benefit

We will not pay a Death Benefit or Funeral Advancement Benefit if the *Insured Person* commits suicide (whether sane or insane) within 13 months of any of the following:

- the *commencement date*;
- the date of any increase in the “*Death Benefit*” (other than Loyalty Benefit increases) but only in respect of the increased amount; and
- the date the Term Life for Mortgages *Policy* in respect of the *Insured Person* was last reinstated.

Income Protection for Mortgages

We will not pay a benefit under Income Protection for Mortgages if the *sickness* or *injury* giving rise to the claim is caused or contributed to by:

- an act of war (whether declared or not). This exclusion does not apply to the Income Protection for Mortgages Death Benefit;
- intentional self-inflicted injury (whether sane or insane);
- attempted suicide (whether sane or insane); or
- normal and uncomplicated pregnancy and childbirth.

Elective Surgery Benefit

This benefit will not apply to surgery that takes place within 6 months of any of the following:

- the *commencement date*;
- the date we increase the *insured monthly benefit* (other than a *CPI* increase); and
- the date your Income Protection for Mortgages *Policy* was last reinstated.

Rehabilitation Expense Benefit and Rehabilitation Program Benefit

We will not pay these benefits for costs that are reimbursable from any other source.

In addition to any other exclusions set out in this *PDS*, we will not pay any benefit if the event giving rise to the claim is caused by or contributed to by an event or condition covered by any exclusion in your *policy schedule*.

5. Interim Accident and Sickness Cover

After we receive **your** completed application, **you** will immediately be covered by Interim Accident and Sickness Cover for no extra premium.

The words in **bold italics** within this “Interim Accident and Sickness Cover” section have specific meanings for this section only.

Commencement of Interim Accident and Sickness Cover

Interim Accident and Sickness Cover commences when **your** fully completed:

- electronic application has been submitted to us; or
- paper application form and personal statement have been received by us.

Period of Interim Accident and Sickness Cover

Interim Accident and Sickness Cover will end on the earliest of the following:

- 90 days from the date Interim Accident and Sickness Cover commences;
- in respect of each interim benefit for each **Insured Person**, the date we accept the insurance application for the equivalent benefit under St.George Protection Plans for Mortgage Customers and issue a *policy schedule* confirming the commencement of **your** Policy, or **you** obtain alternative insurance in respect of the **Insured Person**;
- in respect of each interim benefit for each **Insured Person**, the date **you** withdraw **your** insurance application for the equivalent benefit under St.George Protection Plans for Mortgage Customers;
- in respect of each interim benefit for each **Insured Person**, the date we notify **you** that we have declined the insurance application for the equivalent benefit under St.George Protection Plans for Mortgage Customers; and
- the date we advise **you** that Interim Accident and Sickness Cover has ceased.

Interim benefits

Interim Death Benefit

This benefit is available to **you** if **you** have applied for Term Life for Mortgages.

We will pay **you** the lesser of:

- \$750,000; and
- the amount of the “Death Benefit” applied for in respect of the **Insured Person**,

should the **Insured Person** die (as a result of an *accident* or *sickness*) whilst the Interim Accident and Sickness Cover is in-force.

Interim Income Protection

This benefit is available to **you** if **you** have applied for Income Protection for Mortgages.

We will pay **you** the lesser of:

- \$5,000 per month;
- the *insured monthly benefit* applied for under Income Protection for Mortgages; and
- the maximum monthly benefit amount **you** can apply for under Income Protection for Mortgages,

should the **Insured Person** become *totally disabled* as a result of an *accident* or *sickness*, whilst the Interim Accident and Sickness Cover is in-force.

The benefit accrues from the end of the *waiting period* and ceases to accrue at the earliest of the date the **Insured Person** ceases to be *totally disabled*, and 6 months from the end of the *waiting period*.

Conditions, Limitations and Exclusions

Any conditions, limitations and exclusions that apply to the equivalent benefit under the St.George Protection Plans for Mortgage Customers *Policy* for which **you** have applied, will apply to this cover as well.

In addition, a benefit will not be paid if the death, *accident*, *injury*, *sickness* or event giving rise to the claim is caused or contributed to by:

- an intentional, self-inflicted act or attempted suicide (whether sane or insane);
- any act of war (whether declared or not) except where the **Insured Person** dies on war service;
- the **Insured Person** engaging in any motor racing, trail bike riding, scuba diving or aviation (other than as a fare-paying passenger) or occupation that we would normally cover with a premium loading or exclusion, or would decline or defer cover; or

- a **pre-existing condition** that existed prior to or at the time we received **your** completed application.

A benefit will not be paid if the **Insured Person's** occupation is one that we would not normally cover.

Please contact us for information on the occupations for which we would normally:

- offer a policy with a premium loading or exclusion; or
- decline the application; or
- defer the application.

Claims

Only one Interim Accident and Sickness Benefit for an **Insured Person** will be paid in respect of any one **accident** or **sickness**. The cost of obtaining medical evidence that is required for the payment of an Interim Accident and Sickness Benefit claim is to be borne by **you**. The costs of further medical evidence may be borne by us, however this will be at our discretion.

If **you** are eligible to make a claim under this cover, it will not prevent **your** application for cover under St. George Protection Plans for Mortgage Customers continuing to be assessed. However, we will take into account the change in health of the **Insured Person** when assessing **your** application and we may decline **your** application or apply special loadings, conditions and exclusions.

Definitions

For the purposes of Interim Accident and Sickness Cover:

- **Disease** means an abnormal condition of an organism that impairs bodily functions, associated with specific **symptoms** and signs which first become apparent after the later of:
 - **your** completed application form and personal statement has been received by us; or
 - **your** electronic application has been submitted to us.

For the avoidance of doubt, a **disease** is taken to have first become apparent when:

- a **doctor** first gave the **Insured Person** advice, care or treatment or recommended that the **Insured Person** seek advice, care or treatment for the **disease**; or
- the **Insured Person** first had any **symptom** of the **disease** for which a reasonable person in the same circumstances would have sought advice, care or treatment from a **doctor**.

The **disease** may be caused by external factors or by internal dysfunctions.

- **Injury** means a bodily injury which is sustained by the **Insured Person** after the later of:
 - **your** completed application form and personal statement has been received by us; or

- **your** electronic application has been submitted to us.

- **Insured Person** means the person whose life is to be insured under the application lodged by **you** for Term Life for Mortgages or Income Protection for Mortgages (as applicable).
- **Pre-existing conditions** means any **injury, sickness** or **symptom** that:
 - **you** or the **Insured Person** were aware of, or a reasonable person should have been aware of;
 - the **Insured Person** should have sought advice or treatment (conventional or alternative) from a **doctor** for (in circumstances where a reasonable person would have sought advice or treatment); or
 - the **Insured Person** had a medical consultation for or was prescribed medication or therapy for.
- **Sickness** means a sickness or **disease** which first becomes apparent after the earliest of the following:
 - **your** completed application form and personal statement has been received by us; or
 - **your** electronic application has been submitted to us.

For the avoidance of doubt, a **sickness** is taken to have first become apparent when:

 - a **doctor** first gave the **Insured Person** advice, care or treatment or recommended that the **Insured Person** seek advice, care or treatment for the **sickness**; or
 - the **Insured Person** first had any **symptom** of the **sickness** for which a reasonable person in the same circumstances would have sought advice, care or treatment from a **doctor**.
- **You** and **your** means the person who has lodged a completed application with us for Term Life for Mortgages or Income Protection for Mortgages (as applicable).

6. Paying your premium and other costs

How your premiums and other costs are payable

It's important to pay your premium and other costs to maintain continuity of cover.

You will need to pay your premium monthly by MasterCard, Visa, automatic debit from a bank account, or by any other method that we make available.

What are the costs?

For each *Policy*, the premium, policy fee, stamp duty and any other charges make up the cost of the insurance cover.

We calculate your premium when your insurance begins and at each *review date*. Your initial premium will be set out in your *policy schedule*. We will notify you of your premium in writing before each *review date*. Premiums are stepped and will generally increase each year.

Your premiums may change if there is a variation to your *Policy* (eg an increase in benefit, or adding an *Insured Person*). Your monthly premium will change from the next monthly premium that is payable after the benefit or increase started.

How is your premium calculated?

The premium depends on a number of variables, including the type of insurance you have, the amount of insurance you have for each benefit, the age, gender, smoking status, health and occupation of each *Insured Person*, and any loading specified in your *policy schedule*. For example, as a general rule:

- the higher your amounts of insurance for each benefit, the higher your premium; and
- smokers pay a higher premium.

Policy fee

A policy fee applies to each *Policy* we issue. If you have more than one Term Life for Mortgages *Policy*, each in respect of a different *Insured Person*, we may apply only one policy fee. At 1 October 2014, this fee is \$7.98 per month. The policy fee increases each year according to the *CPI*, and is updated on 1 October.

We may require you to pay taxes and other charges

We may require you to pay any taxes, levies or duties which relate to your *Policy*. If the level of taxes, duties or levies is varied or if additional taxes, duties or levies are imposed, we may require you to pay this additional amount. We may cancel your *Policy* if you do not pay this amount.

Stamp duty

Stamp duty, licence fees or similar charges that are payable in respect of your *Policy* must be paid in addition to your premium (and any other applicable costs). The rate of stamp duty varies for each state and territory of Australia and can be changed without notice. We will recalculate the amount of stamp duty payable whenever your premium is recalculated. It will also vary if the basis of calculating or charging stamp duty is altered.

Goods and Services Tax (GST)

Under current legislation, GST is not levied on life insurance premiums or policy fees.

Changing your premiums

Premiums and discount factors are not guaranteed. However, they can normally only be changed after we have given written notice to all *Policy Owners* who have this version of St. George Protection Plans for Mortgage Customers.

What if you don't pay?

If your premiums or other amounts are overdue, you will be notified. The time to pay this amount will be specified in the notice provided to you. If we don't receive your payment within that time, we will cancel your *Policy*.

At our discretion, your *Policy* may be reinstated within a certain time if all outstanding amounts are received. We may also ask for more information before we do so, including about any *Insured Person's* health and occupation. We may need to vary your benefits, charge additional premium or not allow you to reinstate the *Policy*.

7. Reviewing and making changes to your insurance

Once your *Policy* is in place, it's important to review your insurance on a regular basis to ensure you continue to have the right cover as your life changes, including your mortgage balance and broader needs.

While the amount payable under your *property loan* may be paid down or increased, the amount of the benefits payable under your *Policy* will stay the same, unless you ask us to vary your *Policy*. Your *Policy* will continue even when your *property loan* has been repaid, unless you ask us to cancel your *Policy*.

You can apply to make changes to your *Policy* at any time. Call 1300 366 416, 8.00am to 6.30pm (Sydney time), Monday to Friday, or write to us at GPO Box 4582, Sydney NSW 2001, and we'll send you the relevant forms to complete.

We will assess any application for a variation and, if accepted, we will issue a new *policy schedule* to confirm the variation to your *Policy*.

Cancelling your *Policy*

You may cancel your *Policy* at any time by notifying us in writing. If you cancel your *Policy* after the cooling-off period (see page 4 of this *PDS*), you will not be entitled to a refund for cover already provided.

Broader Protection Plans benefits available

Term Life for Mortgages and Income Protection for Mortgages have been specifically designed to help with your mortgage repayments and other expenses if you are diagnosed with a *terminal illness* or die, or cannot work due to *sickness* or *injury*.

St.George Protection Plans for Mortgage Customers is a specialised insurance solution which forms part of the broader St.George Protection Plans¹ range of products. The St.George Protection Plans range offers comprehensive and flexible insurance solutions that can protect your lifestyle and the people you love throughout the different stages of your life.

This is general advice only. For more information about St.George Protection Plans, read the St.George Protection Plans PDS.

If you would like to learn more about what protection is right for you:

- talk to your Financial Planner; or
- contact us on 1300 558 553.

1_Protection Plans are issued by the Insurer, except for Term Life as Superannuation and Income Protection as Superannuation which are issued by Westpac Securities Administration Limited ABN 77 000 049 472 (WSAL) as trustee of the Westpac MasterTrust ABN 81 236 903 448.

8. Making a claim

Who to contact

If you wish to make a claim, please call and ask for a claim form on:

1300 366 416

8.00 am to 6.30 pm (Sydney time)

Monday to Friday.

When to make a claim

Term Life for Mortgages

You need to notify us of your intention to claim within 6 months of a *terminal illness* first being diagnosed or death.

Income Protection for Mortgages

You need to notify us of your intention to claim within 30 days of the *sickness, injury* or elective surgery resulting in a claim, and we ask that you return all claim forms within 60 days of receiving them.

If you notify us of the *sickness, injury* or elective surgery more than 90 days after it occurs, and if we accept your claim, your payments may start from the later of the date on which we receive your notification, and the end of *your waiting period*.

Evidence required

We may request certain information to assess your claim. If this information is not provided, we may not be able to accept, or continue to pay, your claim.

The evidence that we could request may include:

- medical evidence from a specialist medical practitioner, and in some circumstances also from a *doctor* acceptable to us;
- reports or certificates from the *doctor* providing treatment to the *Insured Person* about the continuing *sickness* or *injury* of the *Insured Person*;
- proof of the *Insured Person's* age; and
- proof of the *Insured Person's* earnings.

You must provide this evidence at your own expense.

If claims are based on overseas reports or certificates, they must be translated into English by a certified translator at your own expense.

We may also require the *Insured Person* to undergo medical examinations or tests by a *doctor* whom we choose at any reasonable time we request. We will pay the reasonable costs of such examinations or tests.

We rely on the information that you provide. If you or any *Insured Person* acts fraudulently in relation to a claim, we may cancel the *Policy* or any of its benefits, and not pay any benefits.

Financial evidence

For Income Protection for Mortgages, we may require you to provide proof of *pre-disability monthly earnings* and from time to time to provide proof of *post-disability monthly earnings* in a period for which you are claiming a benefit. The proof required may include income tax returns, accountant's statements or other proof which is acceptable to us.

Uses of personal information

To assess a claim we may need to disclose information about your claim to third parties, such as medical practitioners. It's a condition of making a claim that you, and the *Insured Person*, agree to the necessary collection and disclosure of personal information, including health and medical information.

What happens after you make your claim?

After you make a claim and we receive the information required, we will assess your claim. We aim to do so in a timely manner.

Payment of claims

Term Life for Mortgages

For Death Benefit claims, if the *Insured Person* dies during the *Period of Insurance*, we will pay the amount of the "Death Benefit" shown in the *policy schedule* (less any amount advanced under the Funeral Advancement Benefit, plus any Loyalty Benefit).

The Death Benefit will be paid to, as at the time of the *Insured Person's* death:

- the nominated *beneficiary* or *beneficiaries* shown in the *policy schedule*; or
- if there is no nominated *beneficiary*, the remaining *Policy Owner(s)* or, if the last living *Policy Owner* has died, to their estate.

For Terminal Illness Benefit claims, if the *Insured Person* is first diagnosed during the *Period of Insurance* with a *terminal illness*, we will pay the amount of the "Death Benefit" shown in the *policy schedule* (plus the amount of the Loyalty Benefit if applicable). The Terminal Illness Benefit will be paid to the *Policy Owner(s)* at the time of first diagnosis.

Income Protection for Mortgages

We will start payment of any benefit (including any amounts that have accrued), after we have accepted liability to pay the claim. Subject to the terms and conditions set out in this *PDS*, we will pay benefits to you monthly in arrears after the end of the *waiting period*.

We may cease payment of the benefit at any time where, based on medical or other evidence, we are of the opinion that the *Insured Person* is not *totally disabled* or *partially disabled*.

Any benefit payable on the death of the *Insured Person* will be paid to your estate.

Increasing Claim Benefit

If you are receiving a monthly benefit payment, the amount of your monthly benefit will be increased on each *review date* by *CPI*.

Premium Waiver

You do not have to pay premiums, any policy fee and stamp duty for the period during which you are receiving a Total Disability Benefit or a Partial Disability Benefit payment.

Taxes and other charges deducted from benefits

We will deduct from any benefit paid under your *Policy*, any taxes, duties or levies we are required by law to deduct.

9. Ending cover

When does an *Insured Person's* Term Life for Mortgages cover end?

The Term Life for Mortgages cover for an *Insured Person* will end on the earliest of:

- the date the *Insured Person* dies;
- the date we pay the entire amount of the "Death Benefit" for the *Insured Person*;
- the *review date* on or following the *Insured Person's* 99th birthday;
- the date we receive your written request to cancel the Term Life for Mortgages cover for the *Insured Person*; and
- the date your *Policy* ends.

When does your Term Life for Mortgages *Policy* end?

Your *Policy* will end on the earliest of:

- the date cover for all *Insured Persons* ends;
- the date the last living *Insured Person* dies;
- the date we cancel your *Policy* because you have not paid your premiums or any other amounts which relate to your *Policy*;
- the date we cancel or void your *Policy* as a result of innocent or fraudulent non-disclosure and/or misrepresentation made by you or an *Insured Person* prior to the *commencement date*, or as a result of a fraudulent claim; and
- the date we receive your written request to cancel your *Policy*.

When does your Income Protection for Mortgages *Policy* end?

Your Income Protection for Mortgages *Policy* will end on the earliest of:

- the date the *Insured Person* dies;
- the *review date* on or following the *Insured Person's* 65th birthday;
- the date we cancel your *Policy* because you have not paid your premiums or any other amounts which relate to your *Policy*;
- the date we cancel or void your *Policy* as a result of innocent or fraudulent non-disclosure and/or misrepresentation made by you or an *Insured Person* prior to the *commencement date*, or as a result of a fraudulent claim; and
- the date we receive your written request to cancel your *Policy*.

10. With you for life

St.George Protection Plans for Mortgage Customers is designed to provide cover throughout your life and has features and benefits to help ensure you stay protected.

Guaranteed Renewable

Provided your premiums are paid when due, your St.George Protection Plans for Mortgage Customers *Policy* will continue for the term specified in this *PDS*. This means we won't cancel your *Policy* if there is a change to an *Insured Person's* health or occupation.

Loyalty Benefits

To reward your loyalty, after you have held:

- a Term Life for Mortgages *Policy* for 3 years, we will add an extra 5% to any Terminal Illness Benefit or Death Benefit payable under your *Policy* (ie in addition to the amount of the "Death Benefit" noted in your *policy schedule*); and
- an Income Protection for Mortgages *Policy* for 3 years, we will pay \$50,000 to your estate, should you die while your *Policy* is in-force.

Premium Holiday

If your *Policy* has been in-force and the premiums paid for at least 6 months, we will allow you to suspend your *Policy* once in any 12 month period for a maximum of 6 months in total over the duration of the *Policy*. You can stop the Premium Holiday at any time within the relevant period.

Application for this benefit is subject to you submitting an application for the Premium Holiday along with evidence that, during the relevant period, you will be:

- unemployed;
- on sabbatical, maternity, paternity or long term leave from work; or
- experiencing a reduction in household income for the last 3 months of 30% or more (as compared to the household income over the preceding 3 month period).

The following conditions apply to the Premium Holiday:

- During the period your *Policy* is on Premium Holiday, you will not have to pay premiums. However, you will not be eligible to claim for any *sickness, injury, elective surgery, death* or any other event that happens during this period. A *sickness or injury* is taken to have happened when:
 - a *doctor* first gave the *Insured Person* advice, care or treatment or recommended that the *Insured Person* seek advice, care or treatment for the *sickness or injury*; or
 - the *Insured Person* first had any *symptom* of the *sickness or injury*, for which a reasonable person in the same circumstances would have sought advice, care or treatment from a *doctor*.
- Acceptance of your application for a Premium Holiday will mean that your entire *Policy* will be suspended.

Multi-Policy Discount

If the *Insured Person* is covered by both Term Life for Mortgages and Income Protection for Mortgages, you will receive a multi-policy premium discount of 5% on the premium applicable to the *Insured Person* (the discount does not apply to other costs, such as policy fees and stamp duty).

Guaranteed Upgrades

Should better features and benefits become available in future which don't result in an increase in premium, we will automatically upgrade your *Policy*. At claim time, we will always give you the best terms applicable to your *Policy*, from the time of commencement to the date of the cause of your claim.

Any limitations, exclusions or special conditions will continue to apply.

11. Other important information

Privacy

Why we collect your personal information

We collect personal information, including sensitive information (eg health information) from you to process your application, provide you with your product or service, calculate your premium, assess any claims made by you and manage your product or service. We may also use your information to comply with legislative or regulatory requirements in any jurisdiction, prevent fraud, crime or other activity that may cause harm in relation to our products or services, and help us run our business. We may also use your information to tell you about products or services we think may interest you.

If you do not provide all the information we request, we may need to reject your application or claim, or we may no longer be able to provide a product or service to you.

Disclosing your personal information

We may disclose your personal information to other members of the *St. George Group*, anyone we engage to do something on our behalf, and other organisations that assist us with our business. We may also disclose your personal information to third parties such as your Financial Planner and reinsurers.

We may disclose your personal information to an entity which is located outside Australia. Details of the countries where the overseas recipients are likely to be located are in the *St. George Privacy Policy*.

As a provider of financial services, we have obligations to disclose some personal information to government agencies and regulators in Australia, and in some cases offshore. We are not able to ensure that foreign government agencies or regulators will comply with Australian privacy laws, although they may have their own privacy laws. By using our products or services, you consent to these disclosures.

Other important information

We are authorised to collect personal information from you by certain laws. Details of these laws are in the *St. George Privacy Policy*.

The *St. George Privacy Policy* is available at stgeorge.com.au or by calling 1300 366 416.

It covers:

- how you can access the personal information we hold about you and ask for it to be corrected;
- how you may complain about a breach of the Australian Privacy Principles or a registered privacy code, and how we will deal with your complaint; and
- how we collect, hold, use and disclose your personal information in more detail.

The *St. George Privacy Policy* will be updated from time to time.

Information about your nominated beneficiary and other individuals

You agree to ensure that any person you nominate as your *beneficiary* is made aware:

- you have nominated them as your *beneficiary*;
- we and other members of the *St. George Group* hold their personal information; and
- they may contact us and request access to their personal information using the details provided above.

Where you have provided information about another individual, you must make them aware of that fact and the contents of this Privacy Statement.

We and the members of the *St. George Group* will use or disclose your personal information to contact you or send you information about other products and services offered by the *St. George Group* or its preferred suppliers. If you do not wish to receive marketing communications from us please call us on 1300 366 416 or visit any of our branches.

Enquiries and complaints

We want you to be totally satisfied with your insurance, now and in the future. If you have any enquiries or complaints about your insurance, please speak to us about it.

Step 1

Please contact our Customer Relations Centre to discuss your complaint:

1300 366 416
8.00 am to 6.30 pm
(Sydney time)
Monday to Friday

Step 2

If you are still not satisfied and wish to make a formal enquiry or complaint, please call our Customer Relations Centre or address it in writing to:

St. George Protection Plans for Mortgage Customers
Customer Relations Consultant
GPO Box 4582
Sydney NSW 2001

When we receive your written enquiry or complaint, it will be recorded, investigated and acted upon. We will endeavour to respond to your complaint fairly, as soon as possible and within 45 days.

Step 3

If you have a complaint about your *Policy* which is not answered to your satisfaction or within 45 days, you may refer your dispute to the Financial Ombudsman Service. This is a free, independent dispute resolution service. The Service will attempt to settle the matter by conciliation. It also has the power to arrange a formal hearing if the matter cannot be resolved.

The Financial Ombudsman Service's contact details are:

Financial Ombudsman Service
GPO Box 3, Melbourne VIC 3001
Telephone 1300 780 808
Facsimile: 03 9613 6399
Website: www.fos.org.au
Email: info@fos.org.au

Before you ask the Service to help you, please try to resolve the issue with us. There are some circumstances where the Service cannot deal with your complaint. They can advise you of these circumstances.

Other bits and pieces

Notices

We will send notices to the last address that you gave us. We say that you receive a notice on the date that you would have received it in the ordinary course of the mail. If you move, you need to tell us of your new address.

Governing Law

Your *Policy* is governed by the laws of New South Wales.

Currency

All dollar amounts are referred to in Australian currency. All claims will be paid in Australian dollars.

Where we put your money

We pay your premiums for Term Life for Mortgages into the *Insurer's* No. 1 Statutory Fund and for Income Protection for Mortgages into the *Insurer's* No. 4 Statutory Fund. We pay your benefits from these funds. The money in the funds is regulated under the *Life Insurance Act 1995*.

No cash value

Your *Policy* does not have a surrender or cash value and does not allow you to share in any profit or surplus. If you cancel your insurance at any time, except within the cooling off period, you will not be entitled to any payment.

Direct Debit Service Agreement

This agreement sets out the terms on which you have authorised the *Insurer* (Debit User ID No. 002631) under your Direct Debit Request to arrange for amounts that become payable in respect of your St. George Protection Plans for Mortgage Customers *Policy*, to be made by deduction from your account at your financial institution (nominated account) using the direct debits payments system (also known as the Bulk Electronic Clearing System). The direct debits will be made at the rate and frequency specified in the most recent *policy schedule*.

- We agree to be bound by this agreement when we receive your Direct Debit Request complete with the particulars we need to draw down an amount under it.
- You will need to:
 - complete a new Direct Debit Request for any other product you purchase from us, or if you move from one of our products to another; and
 - ask us to discontinue any Direct Debit Request that is in force if you cancel a product (debits may continue to be made to your nominated account until you do so).
- Your Direct Debit Request authorises us to arrange for payment to us for the amounts, and at the times, required by the terms of your *Policy* and your instructions to us in relation to it. It also enables any changes in those amounts, and payment times, to occur automatically – you will not need to complete a new form.
- You can:
 - cancel, vary, defer or suspend the Direct Debit Request; or
 - stop or suspend an individual debit from taking place under it,by calling us on 1300 366 416, 8.00 am to 6.30 pm Sydney time, Monday to Friday (in some cases, we will need your written confirmation). You need to allow us 6 business days before the next drawing date to process your request, or the debit may still be made. (You may also be able to stop an individual debit by contacting your own financial institution. You may be liable for financial institution charges if you do this – your financial institution should have information on these).
- If a due date for a debit falls on a weekend or public holiday, the debit will be processed on the next business day. Please check with your financial institution if you are uncertain about when a debit will be processed to your nominated account.

- You must ensure that you have sufficient cleared funds available in the nominated account by the due date to permit the payments under the Direct Debit Request. Please check with us if you are uncertain about when debits will be processed to your nominated account.
- If a drawing is unsuccessful, we will not draw again until the next scheduled drawing date. If your drawing is to pay for insurance benefits, we will re-draw the missed payment as well as the current payment. Drawings will be suspended after two unsuccessful attempts. Your financial institution may charge you fees and interest for unsuccessful debits.
- Please contact our Customer Relations Centre on 1300 366 416 if you have any questions about your Direct Debit Request, such as concerns about a debit that we make under it. We investigate and deal with in good faith any dispute relating to an alleged incorrect or wrongful debit within 3 business days of receiving such a query, claim or complaint. This may include us and our bank reviewing our respective records. If necessary we will contact your financial institution to review its records. We will advise you as soon as practicable (generally within 5-10 days) depending on the nature and extent of the dispute, and the measures taken to resolve it. You may also dispute an amount we draw under your Direct Debit Request by contacting your financial institution.
- We can vary this Service Agreement at any time after giving you at least 14 days notice of the changes.
- We will keep information about your financial institution account details confidential, except:
 - to the extent necessary to resolve any claim you might make relating to a debit which you claim has been made incorrectly (which includes the disclosure of such information to the *Bank*, the sponsor of our use of the direct debits payment system);
 - if you consent to disclosure of such information; or
 - we are required to disclose such information by law.
- Direct debiting through the direct debit payments system is not available on all accounts provided by financial institutions. Please ensure that your financial institution allows direct debits on your nominated account before completing your Direct Debit Request. Also, before you complete your Direct Debit Request, it is your responsibility to check your nominated account details against a recent statement from your financial institution to ensure the details on your Direct Debit Request are completed correctly.

We incur charges in relation to certain periodic payments we receive through the direct debit payments system. If a charge applies in respect of your payments, we will increase the amount deducted from your financial institution account to cover this expense. The maximum charge is currently 10 cents per payment. The amount of the charge, and the types of payments to which it applies may change without notice.

Tax Implications

The taxation information below is a general statement only, and is based on tax laws as at January 2015 and our interpretation of those laws. Your individual situation may differ and you should seek independent professional tax advice.

Product	Premium Impact	Benefit Impact
Term Life for Mortgages	Premiums are not tax deductible.	Generally any benefits will not be treated as assessable income for tax purposes. However, there may be capital gains tax implications in certain circumstances. ¹
Income Protection for Mortgages	Premiums paid are generally tax deductible.	Payments you receive are generally assessable for tax purposes. Please take into account the tax treatment of benefit payments when setting the insured monthly benefit.

¹ Such as when we pay a Death Benefit under a Term Life for Mortgages policy and the *Policy Owner* is not the original owner of the *Policy* and has acquired the *Policy* for consideration.

12. Definitions

Accident and **accidental** mean death, sickness, or injury as a result of a single event that results in a bodily injury sustained as a result of an external traumatic occurrence that is unexpected. This does not include an event that results from sickness or disease.

Bank means St. George - A division of Westpac Banking Corporation ABN 33 007 457 141.

Beneficiary means a person nominated by you, to whom a Death Benefit will be paid.

Benefit period means the maximum amount of time you will be paid the Total Disability Benefit or the Partial Disability Benefit in the event the *Insured Person* is totally disabled or partially disabled under Income Protection for Mortgages. Your benefit period is 2 years.

Commencement date means the "Commencement Date" for your *Policy* as specified in your *policy schedule*.

CPI means the percentage increase in the Consumer Price Index ('weighted average of eight capital cities combined') as published by the Australian Bureau of Statistics or its successor over the 12 month period ending 31 March each year. The CPI will apply for the subsequent year commencing 1 October. If the CPI is not published, or is considered by us to be inappropriate, the percentage increase shall be calculated by reference to such other index of inflation as, in our opinion, most nearly replaces it. If the CPI is negative, we will consider it to be zero.

"Death Benefit" means the "Death Benefit" amount for your *Policy* as specified in your *policy schedule*.

Disease means an abnormal condition of an organism that impairs bodily functions, associated with specific symptoms and signs which first becomes apparent after the later of:

- the commencement date of your Term Life for Mortgages *Policy* in respect of an *Insured Person* or your Income Protection for Mortgages *Policy* (as applicable);
- for an increase in the sum insured for any benefit, the date we increase the benefit (other than a CPI or Loyalty Benefit increase); and
- the date your Term Life for Mortgages *Policy* in respect of an *Insured Person* or your Income Protection for Mortgages *Policy* (as applicable) was last reinstated,

but before your Term Life for Mortgages *Policy* in respect of an *Insured Person* or your Income Protection for Mortgages *Policy* (as applicable) ends.

For the avoidance of doubt, a disease is taken to have first become apparent when:

- a doctor first gave the *Insured Person* advice, care or treatment or recommended that the *Insured Person* seek advice, care or treatment for the disease; or
- the *Insured Person* first had any symptom of the disease for which a reasonable person in the same circumstances would have sought advice, care or treatment from a doctor.

A disease which first became apparent before the commencement date or last reinstatement of your Term Life for Mortgages *Policy* in respect of an *Insured Person* or your Income Protection for Mortgages *Policy* (as applicable) that you or the *Insured Person* fully disclosed to us and we agreed to cover is considered a disease for the purposes of this definition.

The disease may be caused by external factors or by internal dysfunctions.

Doctor means a person who:

- is a registered medical practitioner in Australia or New Zealand (or is a medical practitioner of another country with qualifications acceptable to us); and
- is not:
 - you or the *Insured Person*; or
 - a spouse, parent, child, sibling or business partner of you or the *Insured Person*.

Earnings means the income earned by the *Insured Person's* own personal exertion before tax, but after deduction of any expenses incurred in earning that income.

Gainfully employed means:

- for employees, a person is working for salary, wages, or commission.
- for self-employed, a person is working in a business or professional practice and as a result of their personal exertion is generating an income from the business or professional practice.

Immediate family member means a spouse, parent, child or sibling.

Important income producing duties means those duties which could reasonably be considered primarily essential to producing the *Insured Person's* monthly income.

Injury means a bodily injury which is sustained by the *Insured Person* after the later of:

- the commencement date of your Term Life for Mortgages *Policy* in respect of an *Insured Person* or your Income Protection for Mortgages *Policy* (as applicable);

- for an increase in the sum insured for any benefit, the date we increase the benefit (other than a CPI or Loyalty Benefit increase); and
 - the date of your Term Life for Mortgages Policy in respect of an *Insured Person* or your Income Protection for Mortgages Policy (as applicable) was last reinstated, but before your Term Life for Mortgages Policy in respect of an *Insured Person* or your Income Protection for Mortgages Policy (as applicable) ends.
- is working in another occupation; and
 - the *monthly earnings* of the *Insured Person* are less than the amount of their *pre-disability monthly earnings*; and
 - the *Insured Person* is under the regular care of a doctor.

PDS means this St. George Protection Plans for Mortgage Customers Product Disclosure Statement and Policy Document.

Period of Insurance means the period commencing on the *commencement date* and ending on the date that the *Policy* ends. It does not include any period your *Policy* is on Premium Holiday.

Policy means your contract(s) of insurance with us.

Policy Owner means the owner(s) of the *Policy*, being the person(s) to whom we initially issued the *Policy*, or to whom ownership has been assigned or transferred. The name(s) of the Policy Owner is set out in the most recent *policy schedule*.

Policy schedule means the most recent document that we issue to you which sets out the details of the insurance we provide you, and forms part of your contract with the *Insurer*.

Post-disability monthly earnings means the *Insured Person's* monthly earnings after becoming *partially disabled*.

Pre-disability monthly earnings means the *Insured Person's* highest average *monthly earnings* in any consecutive 12 month period between the 2 years prior to the *commencement date* and when the *waiting period* commences, increased by CPI each *review date* since that date.

Property loan means a loan, or a proposed loan, in Australia secured by a first mortgage over the *Insured Person's* residential or investment property. This mortgage must be with an authorised deposit-taking institution (ADI) or any other mortgage provider that we approve.

Regular care of a doctor means the *Insured Person*:

- has sought advice, care, and treatment from a *doctor* in relation to the *sickness* or *injury* that you are claiming for and is continuing to do so at such times as is reasonable in the circumstances; and
- is following the advice, care and treatment of the *doctor*.

A bodily injury which was sustained prior to the *commencement date* or last reinstatement of your Term Life for Mortgages Policy in respect of an *Insured Person* or your Income Protection for Mortgages Policy (as applicable), that you or the *Insured Person* fully disclosed to us and we agreed to cover is considered an injury for the purposes of this definition.

Insured monthly benefit means the "Insured monthly benefit" amount shown in the *policy schedule*.

Insured Person means the person whose life is insured. The name of each *Insured Person* is set out in the *policy schedule* under the heading "Insured Person".

Insurer means Westpac Life Insurance Services Limited ABN 31 003 149 157, AFSL 233728.

Monthly earnings means:

- if the *Insured Person* is not self-employed, the normal monthly value of the remuneration package paid to the *Insured Person* by their employer, including salary, superannuation contributions, fees, commissions, regular overtime and bonus payments and packaged fringe benefits. Remuneration package does not include income which is not derived from the *Insured Person's* personal exertion or activities, such as interest or dividend payments; or
- if the *Insured Person* is self-employed:
 - the normal monthly income earned by the *Insured Person's* business, practice or partnership due to the *Insured Person's* personal exertion or activities, less
 - the *Insured Person's* share of the expenses of the business, practice or partnership that were necessarily incurred in producing the normal monthly income.

Monthly earnings are calculated as the amount before the deduction of income tax.

Partial disability and partially disabled means:

- due to *sickness* or *injury* the *Insured Person*:
 - while working and able to perform one or more of the *important income producing duties* of their *usual occupation*, is unable to perform all of them;
 - while working and able to perform all of the *important income producing duties* of their *usual occupation*, is only able to do so in a reduced capacity; or

Review date means the anniversary of your *Policy commencement date*, or if you have placed your *Policy* in a group of policies (ie a portfolio) with a different review date, the review date of the portfolio.

Sickness means a sickness or *disease* which first becomes apparent after the later of:

- the *commencement date* of your Term Life for Mortgages *Policy* in respect of an *Insured Person* or your Income Protection for Mortgages *Policy* (as applicable);
- for an increase in the sum insured for any benefit, the date we increase the benefit (other than a *CPI* or Loyalty Benefit increase); and
- the date your Term Life for Mortgages *Policy* in respect of an *Insured Person* or your Income Protection for Mortgages *Policy* (as applicable) was last reinstated,

but before your Term Life for Mortgages *Policy* in respect of an *Insured Person* or your Income Protection for Mortgages *Policy* (as applicable) ends.

For the avoidance of doubt, a sickness is taken to have first become apparent when:

- a *doctor* first gave the *Insured Person* advice, care or treatment or recommended that the *Insured Person* seek advice, care or treatment for the sickness; or
- the *Insured Person* first had any *symptom* of the sickness for which a reasonable person in the same circumstances would have sought advice, care or treatment from a *doctor*.

A sickness which first became apparent before the *commencement date* or last reinstatement of your Term Life for Mortgages *Policy* in respect of an *Insured Person* or your Income Protection for Mortgages *Policy* (as applicable) that you or the *Insured Person* fully disclosed to us and we agreed to cover is considered a sickness for the purposes of this definition.

Spouse means:

- the *Insured Person's* husband or wife via marriage; or
- the *Insured Person's* de facto partner or any other person with whom the *Insured Person* is in a relationship (provided that this relationship is registered under a state or territory law); or
- another person who, although not legally married to the *Insured Person*, lives with the *Insured Person* on a genuine domestic basis in a relationship as a couple.

St.George Group means the *Bank* and its related bodies corporate, including the *Insurer*.

Symptom means a departure from normal function or feeling which is noticed by the *Insured Person*, indicating the potential presence of *sickness* or abnormality. A symptom is taken to have existed when first noticed by the *Insured Person*.

Terminal illness means a *sickness* or *injury* which is expected to result in death within 12 months from notice of claim. This is to be evidenced by a medical report from the treating registered specialist medical practitioner, and in some circumstances, confirmed by a registered medical practitioner of our choice.

Total disability and totally disabled means:

- the *Insured Person* is, because of *sickness* or *injury*:
 - unable to perform one or more of the *important income producing duties* of their *usual occupation*;
 - not working; and
 - under the *regular care of a doctor*, or
- the *Insured Person* is, because of *sickness* or *injury*:
 - not working for more than 10 hours per week in their *usual occupation*, and not working in any other occupation;
 - unable to perform the *important income producing duties* of their *usual occupation* for more than 10 hours per week; and
 - under the *regular care of a doctor*, or
- the *Insured Person* is continuously *partially disabled* after the end of the *waiting period*, and the *post-disability monthly earnings* while *partially disabled* are less than or equal to 20% of *pre-disability monthly earnings*.

Usual occupation means the occupation in which the *Insured Person* was last engaged before becoming *totally disabled* or *partially disabled*.

Waiting period means the amount of time from when the *Insured Person* becomes *totally* or *partially disabled* to the date when your Total Disability Benefits or Partial Disability Benefits begin to accrue under Income Protection for Mortgages. Your *waiting period* is 30 days.

St.George Protection Plans for Mortgage Customers Financial Services Guide

About this Guide

This is a Financial Services Guide ("Guide") to help you decide whether to use the financial services offered by the Bank in relation to St.George Protection Plans for Mortgage Customers.

It contains information about:

- the financial services we can offer you in relation to St.George Protection Plans for Mortgage Customers, including details of any remuneration, commission or other benefits that may be paid to the Bank or other relevant persons in relation to those services, and
- our internal and external dispute resolution procedures and how you can access them.

The Bank also provides other financial services that are not covered by this Guide. If you are interested in these services, you may receive an additional Financial Services Guide.

We are responsible for the financial services we provide under our financial services licence.

In this Guide, the words "we", "our", "us" and "Bank" refer to St.George - A division of Westpac Banking Corporation ABN 33 007 457 141. References to the "Insurer" mean Westpac Life Insurance Services Limited, ABN 31 003 149 157. And, references to the "St.George Group" mean the Bank and all our related bodies corporate, including the Insurer.

The financial services that we can offer

If you'd like more information, or you're interested in applying for St.George Protection Plans for Mortgage Customers (Term Life for Mortgages and/or Income Protection for Mortgages), talk to your home loan provider, who can refer you to one of the Bank's insurance specialists.

The Bank's insurance specialists are authorised to provide you with general financial product advice about and issue Term Life for Mortgages and Income Protection for Mortgages on behalf of the Insurer.

Remuneration paid to the Bank

If you take out a Term Life for Mortgages policy, or an Income Protection for Mortgages policy, the Insurer will pay commission of up to about 80% of your first year's premium to the Bank. The Insurer may also pay ongoing commissions of up to 20% of your premium for as long as you hold the product.

Remuneration paid to our staff

All of our staff receive a salary, plus superannuation, and may also be eligible for incentives in the form of individual or team bonuses based on meeting:

- performance targets in relation to sales or referrals of financial products, and
- performance targets based on other factors such as compliance, customer, shareholder, people and corporate responsibility requirements.

Remuneration paid to third parties

From time to time, the Bank and other members of the St.George Group may pay additional fees to referrers. If you are referred to the Bank for your insurance needs, your referrer should provide you with details of these fees, or you can contact us for more information.

About us

We are regulated by the Australian Prudential Regulation Authority (APRA). As an APRA regulated entity, we are exempt from the compensation requirements in the *Corporations Act 2001*. We nonetheless have professional indemnity insurance, which provides cover for claims that relate to the financial services that we and our representatives provide.

If you have a complaint

Making sure you get great service is one of the most important things we do. So if you have a complaint, we'd like you to contact us straight away. We welcome the opportunity to fix any problems.

Further details are set out in the Product Disclosure Statement and Policy Wording on page 20.



For further information

-  Ask at any branch.
-  GPO BOX 4582, Sydney, NSW 2001.
-  Call us on 1300 366 416
8.00am to 6.30pm
Monday to Friday (Sydney time).
-  Visit stgeorge.com.au

