

**Insurance**

australian  central  
savings & loans

# Mortgage Protection Insurance



Product Disclosure Statement  
incorporating the Policy Wording

## Welcome to CUNA Mutual Group

CUMIS Insurance Society Inc ABN 72 000 562 121 Australian Financial Services Licence (AFSL) 245491 trading as CUNA Mutual General Insurance (Incorporated in the United States. The members of the Society have no liability.) and CUNA Mutual Life Australia Limited ABN 83 089 981 073 AFSL 245492 are part of the CUNA Mutual Group, one of the leading financial services providers to community-based financial institutions such as Credit Unions, Building Societies, Co-operatives, and Community Banks and their members worldwide.

Established in 1935, the CUNA Mutual Group operates in over 10 countries. Starting its Australian operation in 1969, today it provides insurance and insurance-related products to over 90% of Australia's Credit Unions.

We are committed to providing Australian community-based financial institutions and their members with strong personal and financial protection through our range of products and services as well as specialist insurance support.

For further information please see your community-based financial institution or contact one of our accredited customer service insurance consultants on 1800 636 430.

## Australian Central Savings & Loans

Australian Central Savings & Loans is the result of a merger between two credit unions, Australian Central and Savings & Loans, creating Australia's second largest credit union. Together we are a stronger credit union that is taking member-owned banking to more Australians.

As a holder of Australian Financial Services Licence (AFSL No. 244310), Australian Central Savings & Loans can issue, vary, renew and cancel this insurance policy under a "binder" provided by the Insurer. A "binder" is an agreement that allows Australian Central Savings & Loans, as agent of the Insurer, to enter into contracts of insurance on behalf of the Insurer. This means that the insurance policy issued to you by Australian Central Savings & Loans is binding on the Insurer just as if it had issued the policy itself.

## How you can contact Australian Central Savings & Loans

For policy enquiries call 13 11 82 or email [general@acsl.com.au](mailto:general@acsl.com.au)

# Mortgage Protection Insurance

## Confirmation Facility

You may obtain confirmation of any policy transaction by calling 1800 636 430 or emailing [insuranceservices@cunamutual.com.au](mailto:insuranceservices@cunamutual.com.au).

## Product Disclosure Statement (PDS)

This PDS which incorporates your policy wording contains information required under the Financial Services Reform Act 2001.

The information contained in this PDS is designed to help you understand the policy and to decide whether to purchase this insurance product. To assist with your decision we have divided this PDS into two sections:

- The first section highlights important information about this insurance policy including its significant features and benefits, the risks and some information about how the premium is calculated.
- The second section is the policy wording and sets out the standard terms, conditions and limitations of this insurance policy.

It is important that you read both of these sections carefully before you apply for this insurance, to make sure you understand the insurance cover provided and the policy's limitations.

This PDS must be read in conjunction with the policy schedule and your application. Together they form the basis of your insurance contract and both should be retained in a safe place.

Some words throughout this PDS have special meanings and you should refer to the section "Words that have Special Meanings" which commences on the first page of Section 2.

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## Section 1

### Significant Policy Information

## Significant Policy Information

### Who is the Insurer of this Policy?

This product can provide the following types of covers:

1. Death and trauma covers – these are life risk consumer credit insurance benefits.

For death and trauma cover the insurer of this policy is CUNA Mutual Life Australia Limited ABN 83 089 981 073 AFSL 245492.

2. Our disability and involuntary unemployment covers are general risk consumer credit insurance benefits.

For disability and involuntary unemployment cover the insurer of this policy is CUMIS Insurance Society Inc ABN 72 000 562 121 AFSL 245491 trading as CUNA Mutual General Insurance (Incorporated in the United States. The members of the Society have no liability).

Both insurers take full responsibility for the whole of this PDS but each is only liable for the covers they agree to insure.

### How You can Contact Us

You may contact us by phone or by writing to us at:

CUNA Mutual Group  
Level 10, 345 George Street  
Sydney NSW 2000  
GPO Box 1276  
Sydney NSW 2001

Policy enquiries: 1800 636 430

Claims enquiries: 1800 226 122 (Dedicated to Australian Central Savings & Loans members)

### General Insurance Code of Practice

CUMIS Insurance Society Inc is committed to and supports the objectives and principles of the General Insurance Code of Practice.

This Code is a self-regulatory code which was introduced to raise general insurance industry standards of practice and service in respect of policy documents, training and claims handling procedures and to promote good relations between insurance companies, their agents and customers. More information on the Code is available by contacting us or visiting the website of the Insurance Council of Australia.

# Mortgage Protection Insurance

## How to Apply for this Insurance

Before you apply for this insurance it is important that you read, understand and accept your duty of disclosure and our privacy promise. You can apply for this insurance by completing our application process that is administered by your financial institution.

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

To be eligible for Mortgage Protection Insurance you must, at the commencement date of this insurance:

1. be less than 60 years of age
2. be a permanent resident of Australia unless you are a member of the Australian defence force posted overseas or we agree in writing to insure you
3. be in permanent employment for not less than 15 hours per week, every week other than when you are on annual leave
4. have no knowledge that your permanent employment is to be terminated or a decrease in work being available.

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

## Your Duty of Disclosure

The Insurance Contracts Act 1984 imposes a duty of disclosure on you when you first enter into an insurance policy with us, and you vary, renew, extend, reinstate or replace your insurance policy.

### **1. Your Duty of Disclosure when you first enter into this policy with us.**

#### **What you must tell us**

When answering our questions, you must be honest. You have a duty under law to tell us anything known to you, and which a reasonable person in the circumstances would include in answer to the question. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms.

## Significant Policy Information

### Who needs to tell us

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

### If you do not tell us

If you do not answer our questions in this way, we may reduce or refuse to pay a claim or cancel the policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the policy as never having worked.

## 2. Your Duty of Disclosure when you renew, vary, extend, reinstate or replace this policy.

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

Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by us
- that is of common knowledge
- that we know or, in the ordinary course of business, ought to know
- where we waive your requirement to comply with your duty.

### If you do not tell us

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the policy in respect of a claim or may cancel the policy. If your non-disclosure is fraudulent, we may also have the option of avoiding the policy from its beginning.

### Pre-existing condition

You are not required to tell us about any injury or illness, first manifesting itself during the period of cover, unless we ask you to do so.

# Mortgage Protection Insurance

## Our Privacy Promise

We are committed to protecting your personal information.

### What information do we collect?

The application for this insurance only asks you for the information that is necessary for us to assess your application. We may also obtain personal information about you from other forms or health statements completed in connection with this insurance, other insurers, an insurance reference service or as permitted or required by law.

### If you don't give us the information

If you do not give us all the information requested, we may not be able to process or accept your application for insurance.

### How we use the information

We use the information we collect about you to assess your application for insurance and the risk involved. If we issue you with a policy, we will also use the information to administer your policy and assess any claims. From time to time we may send you information on other insurance products.

### Disclosure to third parties

We will only disclose information about you to a third party if we need to in order to process your application, administer your policy or investigate and assess any claims. The parties to whom we may disclose your personal information include (but are not limited to) reinsurers, health providers, loss assessors, investigators, legal advisors and external complaints and dispute resolution bodies.

We will also disclose information about you to a third party if required to by law.

### Access to information

You are entitled to access your personal information, except in some limited circumstances outlined in the Privacy Act 1988. You can request access to your personal information by writing to us.

### Privacy enquiries or complaints

We have internal procedures in place to ensure that any concerns you may have relating to the privacy of your information are resolved promptly, including access to our Internal Dispute Resolution Panel.

## Significant Policy Information

If we are unable to resolve your complaint internally, you can direct your complaint to:

The Director of Compliance  
Office of the Privacy Commissioner  
GPO Box 5218, Sydney NSW 2001  
Tel: 1300 363 992

Please ask us if you have any queries on what personal information we collect or how it will be used. A copy of our Privacy Policy is available on request.

## Financial Claims Scheme

This policy may be a 'protected policy' for the purposes of the Federal Government's Financial Claims Scheme (FCS). The FCS is administered by the Australian Prudential Regulation Authority (APRA). We are authorised by APRA.

In the unlikely event of an insurer authorised by APRA, such as us, becoming insolvent, the Federal Treasurer may make a declaration that the FCS applies to that insurer. If the FCS applies, as a policyholder, you may be entitled to have valid claims paid under the FCS. Access to the FCS is subject to eligibility criteria.

Information about the scheme can be obtained from the APRA website at <http://www.apra.gov.au> and the APRA hotline on 1300 13 10 60.

## Consumer Credit Insurance (CCI)

Mortgage Protection Insurance is a CCI product and is an optional form of loan protection. It is designed to protect a borrower's loan repayment obligations in the event of their death, disability, involuntary unemployment or trauma.

Mortgage Protection Insurance is not compulsory and it is not a condition of your loan contract that you have this insurance. If you do choose to take out CCI, you may do so with another insurer.

It is important for you to read the policy wording carefully to make sure you understand the cover provided and the policy's limitations.

## Mortgage Protection Insurance

### Significant Features and Benefits of this Insurance

The following information lists some of the significant features and benefits available under our policy.

For full details of the features and benefits of this insurance cover you need to take the time to read the policy wording.

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

- Death Cover
- Disability Cover

There are two additional covers:

- Involuntary Unemployment Cover
- Trauma Cover

If you are a person named on the loan contract and are not in permanent employment, you may apply for death cover only.

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

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

#### Death Cover

In the event of death, we will pay to your financial institution the current insured loan contract amount stated in the policy schedule to a maximum of \$500,000.

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

## Significant Policy Information

### Disability Cover

If you suffer a disability, we will pay the repayment as shown on your policy schedule to a maximum of \$3,000 per month to your financial institution for each month you are disabled (up to a maximum amount which is the equivalent of 36 monthly repayments) provided that:

- the disability continues for at least 29 consecutive days from the date you first seek medical attention for the injury or illness which causes the disability
- you have not reached 65 years of age, and
- the period of insurance and period of cover have not ended.

### Involuntary Unemployment Cover

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

The maximum payment for any one claim is 3 months during any consecutive 12-month period during the period of cover. The most we will pay in total for all involuntary unemployment claims during the period of cover will be \$10,000 during the first 5 years of the period of cover and \$10,000 in any subsequent, unbroken period of 5 years thereafter.

Cover will only apply if:

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

### Trauma Cover

If you suffer a trauma, we will pay to you the sum insured selected by you as shown in your policy schedule to a maximum of \$50,000. We will not pay more than one claim during the period of cover and no claim will be payable for any trauma suffered in the first 90 days of the period of cover.

# Mortgage Protection Insurance

## Suspended Cover

Where a replacement policy is issued within 90 days of an existing policy being terminated due to repayment or discharge of the loan contract, the Suspended Cover allows you to:

- recommence claiming for disability and involuntary unemployment claims which commenced, and
- claim for death, trauma and disability arising from a pre-existing condition which first manifested during the period of cover of the terminated policy.

## Policy Limits

Covers under the Mortgage Protection Insurance policy have limits. The maximum amounts we will pay for the cover you have chosen, irrespective of the amounts shown on the policy schedule, are shown in the table below.

### Death

- The benefit payable is the current insured loan contract amount on the policy schedule to a maximum of \$500,000.

### Disability

- The monthly benefit is the repayment amount to a maximum of \$3,000 per month.
- The maximum benefit payable is for the period equivalent to 36 monthly loan repayments during the period of cover.

### Involuntary Unemployment

- The monthly benefit is the repayment amount to a maximum of \$3,000 per month.
- The monthly benefit is paid for a maximum period of 3 months during any consecutive 12-month period of the period of cover.
- The maximum involuntary unemployment claims during the period of cover will be \$10,000 during the first 5 years of the period of cover and \$10,000 in any subsequent, consecutive 5-year period thereafter.

### Trauma

- The benefit is the sum insured selected by you as shown in your policy schedule to a maximum of \$50,000.
- Only one claim can be made during the period of cover.

## Significant Policy Information

### Significant Risks of this Insurance

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

If you breach or do not comply with the terms of this policy, subject to the Insurance Contracts Act 1984, we may refuse to pay your claim or reduce any payment.

#### Waiting periods

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

#### Disclosure

You have disclosure obligations under this contract of insurance, which are set out on pages 7-8 of this PDS. Failure to comply with these obligations can have serious consequences in terms of your insurance cover or in the event of a claim being made by you.

#### Interest Rates

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

#### Under Insurance

If you increase your loan contract amount, you will need to request an endorsement to your policy to ensure that you have adequate cover.

## Mortgage Protection Insurance

### General Exclusions of this Insurance

The insurance we offer to you under this policy provides cover for certain events. There will be situations where this policy provides no cover at all. Those situations are set out in the policy wording.

For full particulars of all these exclusions, you must take the time to read this in detail.

The following lists some of the events which will not be covered under your insurance policy:

- any claim if your death is the result of a suicide within 13 months of the commencement date of the period of cover
- any period of involuntary unemployment which occurs within 28 days of the commencement date of this insurance
- the first 28 days of any involuntary unemployment period
- any claim for involuntary unemployment if you are self-employed or employed by a business over which you or your family can exercise control
- any claim if you have not been in permanent employment for 60 consecutive working days immediately prior to experiencing involuntary unemployment
- the first 28 days of any disability period, and
- any claim for death, disability or trauma arising out of a pre-existing condition.

For a comprehensive list and further details on these, see pages 25-33, under the headings “What we won’t pay for”.

### How we Price this Insurance Product

The premium is payable annually or by instalment premiums.

Your premium is calculated based on the covers selected and other factors which may include your age, gender, whether or not you smoke, and the sum insured and/or repayment as shown on your policy schedule. The premium we charge is subject to Commonwealth and State taxes and/or charges. These include Stamp Duty and the Goods and Services Tax (GST).

### Premium Payment

The premiums for this insurance may be paid by credit card or direct debit from an approved savings or cheque account.

## Significant Policy Information

### Taxation Information about this Insurance

The premium shown in your policy schedule sets out the premium, GST and stamp duty applicable.

If you are claiming input tax credits in relation to the GST on the premium, contact us for a tax invoice. The GST component may not be 1/11th of the premium due to stamp duty or other government charges.

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

### Our Service Commitment – Dispute Procedures

We are committed to service excellence. An integral part of our service excellence is the provision of an efficient, free and fair internal dispute resolution procedure.

Should you have a complaint in connection with this policy relating to a claim, our service or that of our agents or anyone else acting on our behalf, please contact us directly and we will do our utmost to resolve the problem. Our contact details are shown on page 6. We will respond to your complaint within 15 business days provided we have all necessary information and have completed any investigation required.

If further information, assessment or investigation is required, we will agree reasonable alternative time frames with you. For life insurance, all complaints must be resolved within 45 days or up to a maximum of 90 days if you agree.

If we can't agree on alternative time frames or if we provide you with a response to the complaint and you tell us that you want it reviewed, we will treat your complaint as a dispute.

Our Internal Dispute Resolution Committee will consider and respond to any dispute within 15 business days provided we receive all necessary information and have completed any investigation required. If further information, assessment or investigation is required, we will agree reasonable time frames with you.

## Mortgage Protection Insurance

If we cannot agree on alternative time frames or if you are provided with our decision and are unhappy with it, we will provide you with information on how to access the independent External Dispute Resolution (EDR) scheme we belong to, and where required, the relevant time frame in which any dispute must be registered with the scheme.

The EDR schemes we belong to are free of charge and binding on us but will only review disputes that have been through the above internal dispute resolution process and are within the scheme terms.

If a dispute exists in relation to a claim after we have had the opportunity to resolve the matter internally, then you may contact:

Financial Ombudsman Service  
GPO Box 3, Melbourne, VIC 3001  
Tel 1300 780 808

The Financial Ombudsman Service consists of a group of specialist advisers that are independent from insurance companies whose purpose is to assist in the resolution of such disputes and is at no cost to you.

You can obtain further information on the Financial Ombudsman Service at [www.fos.org.au](http://www.fos.org.au).

### Your Cooling-off Period

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

## Significant Policy Information

### Making a Claim

Full details of what to do in the event of making a claim can be found on page 36 in the policy wording. Our contact details are on page 6.

It is important that you understand and follow our instructions on what to do in the event of making a claim. Failure to comply with these obligations can have serious consequences in the event of a claim being made, including us reducing the amount we pay by an amount to take account of the prejudice we suffer by you not following our instructions.

### Commission

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

## Section 2

### The Policy Wording

## The Policy Wording

### Our Agreement with You

If we accept your application, we agree to provide you with the insurance that you have selected during the period of insurance, as set out in this PDS and the policy schedule. In return you agree to pay us your premium which takes into account any relevant government charges.

### Words that have Special Meanings

Some words throughout the policy and when used in the policy have special meanings. These words and their special meanings are set out below. You should read these meanings in detail so you understand the extent of cover provided.

**Application** means any verbal and/or written information provided by you as a proposal or application for this insurance including any personal statements, submitted by you or by another person on your behalf.

**Cancer\*** means the first unequivocal diagnosis of any internal malignant tumour requiring treatment by surgery, radiotherapy, hormone therapy or chemotherapy. Included will be any malignant tumour considered to be too advanced or too serious for specific treatment to be warranted, but excluding:

1. tumours treated by endoscopic procedures alone and tumours classed as carcinoma in situ and prostate tumours that have not invaded the muscle layer
2. tumours of the skin with the exception of malignant melanoma where there is evidence of spread to lymph nodes or distant tissue, and
3. Kaposi's sarcoma and other tumours caused by HIV or AIDS.

**Commencement date** means the inception date of the period of insurance stated on the policy schedule you received from us in connection with this policy, or the date the loan funds are advanced to you, whichever is the later.

**Coronary Artery Surgery\*** means a coronary artery bypass grafting surgery performed via a Thoracotomy.

**Cover** or **covers** means the protection provided by this policy.

**Date of the trauma** means the date on which in the opinion of a medical practitioner and/or pathologist the trauma event has been proven to have occurred.

## Mortgage Protection Insurance

**Disablement, disabled, or disability** means your inability due to illness or injury (as certified by a medical practitioner) to perform duties of your usual occupation.

Where disablement caused by illness or injury (as certified by a medical practitioner) extends beyond 6 months, then disablement means your inability to perform the duties of any occupation for which you are reasonably qualified by education, training or experience and so certified by a medical practitioner.

**Heart Attack\*** means a diagnosed acute myocardial infarction resulting from inadequate cardiac blood supply that has been documented by the occurrence of chest pain and electro cardiographic evidence and elevation in cardiac enzymes.

**Illness** means any illness, sickness or disease.

**Injury** means bodily injury caused solely by violent, accidental, external and visible means.

**Instalment premium(s)** is that proportion of the premium you are required to pay to us each instalment in order to keep the policy in force and shown on the policy schedule.

**Involuntary unemployment or unemployed** means you are unable to continue your permanent employment as a direct result of involuntary dismissal or retrenchment by an employer and you are registered as unemployed with Centrelink or the Department of Social Security and you are actively seeking work.

**Kidney Failure\*** means end stage renal failure, which presents chronic irreversible failure of both kidneys to function, as a result of which regular renal dialysis is initiated or renal transplant is carried out.

**Loan contract** means the mortgage between you and your financial institution.

**Major Organ Transplant\*** means actually having undergone, as a recipient, a medically necessary transplant procedure involving one or more of the following organs: kidney, heart, liver, lung, bone marrow and pancreas.

**Medical practitioner** means a legally qualified and independent medical practitioner, physician or surgeon (other than you or a member of your family or your business partner) that is registered and practising medicine in Australia.

## The Policy Wording

**Outstanding balance** means the amount outstanding under your loan contract and for which you are indebted to your financial institution at the relevant date excluding any loan payments which are two months or more in arrears.

**Period of cover** means the period that starts from the commencement date of the first Mortgage Protection Insurance policy issued to you by us in connection with the loan contract and continues for as long as you, without any gap, continuously renew that policy with us until your most current renewed policy with us ends (other than because you did not renew).

**Period of insurance** means the period shown on the policy schedule unless ending earlier in accordance with Section 2F – General Conditions, When your insurance ceases.

**Permanent employment** means working on a regular basis for remuneration or profit for not less than 15 hours per week for a six-month period prior to commencement of the policy. Such work cannot be of a seasonal nature.

**Permanent resident of Australia** means a person not living outside Australia for more than 12 months at a time unless you are a member of the Australian Defence Force posted overseas.

**Policy** means the contract of insurance and includes the application, this PDS and the policy schedule. Under this contract you enter into contracts with each insurer for the relevant covers provided by them.

**Policy schedule** means your most recent schedule and includes any endorsement, memorandum or letter concerning the cover attached to or intended to be attached to the schedule. We give you a schedule when you buy a policy from us or you renew any policy with us.

**Pre-existing condition** means any injury or illness (whether diagnosed or treated by a medical practitioner or not) of which you were aware, or a reasonable person in your circumstances could be expected to have been aware, existed at the time you applied for this insurance.

## Mortgage Protection Insurance

**Premium** means the amount stated in the policy schedule we require you to pay us, during the period of insurance, for the covers you have selected.

**Product Disclosure Statement (PDS)** means this document which incorporates your policy wording, and is designed to help you understand the policy and to decide whether to purchase this insurance product.

**Repayment** means the lesser of the regular fortnightly or monthly payments required under your loan contract and the repayment amount shown in your policy schedule.

**Replacement Policy** means this policy if it replaces a Mortgage Insure Plus policy that has been cancelled within 90 days of the commencement date of this policy.

**Stroke\*** means any infarction of brain tissue due to a cerebrovascular incident and which is associated with evidence of a neurological deficit that creates permanent functional impairment. It does not mean infarct of brain tissue as a result of bodily injury caused by violent, accidental, external and visible means or vascular disease affecting the eye or optic nerve.

**Trauma** means the positive diagnosis of any of the diseases or disabilities as listed on page 28 which occur during the period of insurance occurring after the first 90 days of the commencement date.

**We, our, us** means CUMIS Insurance Society Inc, ABN 72 000 562 121, AFSL 245491 (Incorporated in the United States. The members of the Society have no liability) trading as CUNA Mutual General Insurance in respect of the disability and involuntary unemployment cover and CUNA Mutual Life Australia Limited ABN 83 089 981 073 AFSL 245492 in respect of the death and trauma cover

**You, your** means the insured(s) named in your policy schedule.

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

## The Policy Wording

### Section 2A – Death Cover

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

#### What we will pay for

If you die during the period of insurance, we will pay your financial institution the current insured loan contract amount stated in the policy schedule to a maximum of \$500,000.

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

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

If the loan contract is in joint names, only one death claim will be paid irrespective of whether the other party to the loan contract has a separate Mortgage Protection Insurance policy covering the loan.

#### Continuity of Cover

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

### What we won't pay for

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

1. a result of suicide within 13 months of the commencement of the period of cover
2. caused or contributed to by any pre-existing condition unless the policy schedule shows we have accepted cover for the pre-existing condition, or
3. caused or contributed to by alcohol, drugs or narcotics (except where administered by or taken in accordance with the advice of a medical practitioner).

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

## The Policy Wording

### Section 2B – Disability (Illness and Injury) Cover

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

#### What we will pay for

A benefit is payable for disability cover:

1. If you become disabled during the period of cover and you are disabled for at least 29 consecutive days, we will pay your repayments to your financial institution to a maximum of \$3,000 per month (up to a maximum amount equivalent to 36 monthly repayments) whilst you remain disabled.
2. If, due to a variation to the interest rate stated in the loan contract, the actual repayments vary, we will calculate the benefits payable on the basis of the repayment amount shown in your policy schedule.

If the loan contract is in joint names, only one disability claim will be paid irrespective of whether the other party to the loan contract has a separate Mortgage Protection Insurance policy covering the loan.

#### Continuity of Cover

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

#### Recurrent disability

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

### What we won't pay for

No benefit is payable for disability cover:

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

## The Policy Wording

### Section 2C – Trauma Cover

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

Trauma Cover includes the following diseases and disabilities:

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

#### What we will pay for

If you suffer a trauma, we will pay to you the amount you nominate in the application and shown in your policy schedule to a maximum of \$50,000.

#### Continuity of Cover

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

### What we won't pay for

No benefit is payable for trauma cover:

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

## The Policy Wording

### Section 2D – Involuntary Unemployment Cover

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

#### What we will pay for

1. If you experience involuntary unemployment during the period of insurance, we will pay to your financial institution your repayment from the 29th day after you register as unemployed with Centrelink to a maximum of \$3,000 per month.
2. We will only pay up to a maximum of 3 months involuntary unemployment cover during any consecutive 12-month period.
3. The maximum amount we will pay for all involuntary unemployment claims made is \$10,000 during the first 5 years of the period of cover from the commencement date and \$10,000 in any subsequent, unbroken period of 5 years thereafter.

If the loan contract is in joint names, only one Involuntary Unemployment claim will be paid irrespective of whether the other party to the loan contract has a separate Mortgage Protection Insurance policy covering the loan.

### What we won't pay for

No benefit is payable for Involuntary Unemployment Cover:

1. for any period of involuntary unemployment which occurs within 28 days of the commencement date of the period of cover
2. for the first 28 days of any involuntary unemployment
3. if you have not been in permanent employment for 60 consecutive working days immediately prior to experiencing involuntary unemployment
4. if you were unemployed or you were aware that you would become unemployed at the time of applying for this insurance
5. if you are employed on a fixed-term contract and it expires
6. if you are an apprentice and your period of apprenticeship ends
7. if you are self-employed or employed by a company or business over which you or your family can exercise control
8. if you are a seasonal worker
9. if you are dismissed for any form of wilful or other misconduct which resulted in your immediate dismissal
10. if you return to employment in any occupation for reward or profit.

## The Policy Wording

### Section 2E – Suspended Cover

The Suspended Cover is an extra benefit of this policy.

#### Conditions of Suspended Cover

If at the time your loan contract is repaid or is discharged, you are actively engaged in seeking property on which you intended to arrange a replacement loan contract, we will consider your cover as being suspended only, until the earliest of:

1. the date you advise us the cover is no longer required, or
2. the date we refuse to cover your replacement loan contract, or
3. the commencement date of the replacement policy, or
4. 90 days from the date of repayment or discharge of the loan contract.

In the event you replace a cover suspended in accordance with this extra benefit:

1. we will provide you with cover for death, trauma and disability as a result of pre-existing conditions which were first manifested during the period of cover of the policy which was suspended, and
2. we will recommence payment of covers for any claim which was stopped under Section 2B, Disability Cover or Section 2D, Involuntary Unemployment Cover solely as a result of automatic cessation of cover following the discharge or repayment of the loan contract.

### What we won't pay for

This Suspended Cover is subject to the following limitations with regard to payment of claims under disability and involuntary unemployment cover:

1. No benefit will be payable, or backdating of benefits allowed, during the period the cover is suspended.
2. Cover for benefits will only be paid from the commencement date of the replacement policy.
3. No cover will be provided unless the period of disability or involuntary unemployment is continuous and unbroken from the date the claim was made, prior to the automatic cancellation of this replaced policy, up to and after the commencement date of the replacement policy.
4. The maximum amount we will pay under both policies will not exceed the amount payable under the cover and up to the limits provided under the policy which is replaced.

## The Policy Wording

### Section 2F – General Conditions

#### When your insurance ceases

##### If you want to cancel the policy

You can cancel this policy at any time by giving us written notice.

We will refund you the unexpired portion of the instalment premium paid covering the period of cancellation less any administration cost. If you apply for cancellation for a period of more than one instalment premium, you will be required to prove, to our satisfaction, that cover provided was not intended or required for the period, before a refund will be made. No refund of premium will be paid once any claim has paid out the outstanding balance.

##### If we want to cancel the policy

We may cancel this policy at any time, for any reason allowed under the law.

#### Automatic cessation of cover

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

1. the first renewal after your 65th birthday
2. you die
3. you cease to be a permanent resident of Australia
4. the period of insurance and period of cover both expire
5. the policy is cancelled by you or us
6. your loan contract is repaid, is discharged or terminated for any other reason, or is varied, unless we have agreed to continue cover in writing and you have agreed to pay any additional premium required by us.

#### Variation in terms and conditions

We may vary the terms and conditions of the policy, including premiums, on renewal.

## Mortgage Protection Insurance

### Paying by instalments

Payment under this policy is by instalments:

1. If an instalment premium remains unpaid for a period of 14 days or longer, any claim arising from an event occurring after the due date of the instalment premium may be refused to the extent permitted by law.
2. If an instalment premium remains unpaid for a period of one month or longer, we will automatically cancel this policy without written notice to you.

## The Policy Wording

### Section 2G – What To Do In The Event Of A Claim

For all claims, you or your estate's legal representative must advise us in writing as soon as possible after the claim event and complete a Claim Form supplied by us.

In addition the following must be provided:

#### **For Death claims:**

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

#### **For Disability claims:**

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

#### **For Involuntary unemployment claims:**

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

#### **For Trauma claims:**

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

**End of Policy Wording**

## Mortgage Protection Insurance

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