

M Mortality Fund Pty Ltd

MLC Group Life

Policy document



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Definitions **7**

Important information

- Your contract of insurance with us comprises:
 - the terms contained in this document and the accompanying Schedule; and
 - any annexures issued under this Policy.

- Certain terms commencing with capital letters are terms that are defined in the definitions section of the Policy.
- The details of your cover are set out in the Schedule. The Schedule contains, but is not limited to, the Commencement Date, your Policy name and number, the Eligibility Terms described on page 1, the Annual Renewal Date, the rates and any special terms attached to the Policy.

Where special terms are noted in the Schedule and they differ from this Policy document, the terms as set out in the Schedule will prevail.

- A reference to 'you' or 'your' means the Policy owner set out in the Schedule who will receive payment of all Benefits and pay all Premiums under the Policy.
- References to 'we', 'our' or 'us' means MLC Limited – ABN 90 000 000 402 AFSL 230694 whose Head Office is at 105–153 Miller Street, North Sydney NSW 2060.

The minimum numbers to set up a group insurance Policy is 20 insured lives, but if the group is a manufacturing group the minimum is 100 insured lives. If the group falls below the minimum of 20 insured lives, Automatic Acceptance may be withdrawn from the Policy. The minimum annual Premium is \$10,000.

- The maximum insurance Benefit that may be offered is:
 - \$10 million for death cover

- Superannuation Law limits the circumstances when superannuation funds can pay Benefits. This may mean that a Benefit payment will need to be kept in the fund until it can be paid under Superannuation Law.

Where the Policy owner is a superannuation fund, as indicated in the Schedule, we recommend that you seek independent expert advice if you have any concerns about whether a payment may be paid from the fund.

- There may be different categories of Insured Members under this Policy. These are described in the Schedule, and any Eligibility Terms applying to each category are set out in the Schedule. A person who meets Eligibility Terms applying to a category, and who is nominated by you for that category, may become an Insured Member in that category. If there is more than one category under this Policy the terms of cover and maximum levels of cover may vary depending on the particular category. Where this is the case, it is noted in the Schedule.
- All headings in this Policy are for ease of reference only.
- While insurance benefits generally do help reduce financial loss, there is a risk that an insurance product may not be suitable or adequate for your employees' or members' needs. To help prevent this you should read this Policy document carefully and consult your financial adviser to assess your insurance needs. When replacing insurance, it is recommended you do not cancel an existing insurance arrangement until the replacement insurance is in place.
- Any stamp duty or other government charges levied from time to time in relation to this Policy (including any duty or charges on Premiums) must be paid by you. We will advise you of any amount payable.

- This Policy is designed purely for insurance protection. Unlike some other types of life insurance that have investment or savings components, it will never have a surrender or cash value.

- No authorised representative, broker or financial adviser may change this Policy without your consent and our consent. Any requested changes will only be valid if we confirm the changes in writing.
- The Premiums are placed in our Statutory Fund No 1.

An MLC Group Insurance Policy does not represent a deposit with or a liability of National Australia Bank Limited ABN 12 004 044 937 AFSL 230686 or any of its related bodies corporate (other than a liability of MLC Limited as insurer). Neither National Australia Bank Limited, nor any of its related bodies corporate (other than MLC Limited as insurer) guarantees or accepts liability in respect of MLC Group Insurance.

Policy terms

Death Benefit

If an Insured Member dies while this Policy is in force in respect of that Insured Member, we will, subject to the terms of this Policy, pay the death Benefit for that person as shown in the Schedule.

Worldwide Cover

The cover described in this Policy is provided to Insured Members, 24 hours a day on a worldwide basis.

Exclusions

Benefits are not payable under this Policy in respect of an Insured Member who commits suicide within 13 months of starting or restarting their insurance cover under this Policy.

Automatic Acceptance

'Automatic Acceptance' means that we will agree to accept Eligible Persons for cover not exceeding the Automatic Acceptance Level (AAL), without the need for medical or other evidence, provided they meet the Eligibility Terms set out below.

Eligibility Terms

The Eligibility Terms for determining who you can nominate for automatic cover under this Policy are set out below and in the Schedule. To be considered as eligible for cover under this Policy, the following criteria must be met:

- an Eligible Person must be under the Ceasing Age;
- an Eligible Person must be a member of the Fund;
- an Eligible Person must be an Australian resident unless otherwise agreed with us. For the purposes of this term, an 'Australian resident' means a person who:
 - has always lived in Australia or has come to Australia to live; and
 - is eligible to work in Australia.

If the person goes overseas temporarily and does not set up a permanent home in another country, the person may continue to be treated as an Australian resident.

When does an Eligible Person become an Insured Member?

If an Eligible Person meets the terms for Automatic Acceptance, they become an Insured Member with effect from the date they are eligible for cover.

If an Eligible Person does not meet the Eligibility Terms for Automatic Acceptance they will not be entitled to any insurance cover.

General information

Claims

You must notify us in writing as soon as reasonably practicable of the following:

- the death of an Insured Member

On receipt of notification of a claim we will provide you with our standard requirements. We may request and obtain other such information and documentation that we require to consider and process the claim.

If the claim is submitted to us more than one year after the event giving rise to the claim, and the delay results in our interests being prejudiced, we may not accept liability for the claim or, alternatively, we may reduce our liability in respect of the claim to the extent of the prejudice we have suffered.

You must ensure for the assessment and payment of the claim, that:

- we are provided with satisfactory proof of death for a death claim;
- we are provided with satisfactory proof of age of an Insured Member.
- we are provided with any additional information we need to assess the claim.

Unless otherwise mutually agreed, our payment to you shall be a full and final discharge of our liability with respect to a particular claim and with respect to any Benefit to the Insured Member. We may deduct taxes, duties or imposts that may apply to the Benefit.

The Policy must have been in force when the events leading to the claim occurred, or we must have agreed in writing otherwise.

We reserve the right to list all claims with an insurance reference bureau for the purpose of establishing and obtaining an insurance reference from an insurance claims database.

When incorrect information is provided to us

We rely on the information provided to us by you and the Insured Member to assess whether we will provide cover for an Eligible Person or pay a Benefit for an Insured Member. If any information provided is incorrect or there is a failure on your part or the Eligible Person's or Insured Member's part to comply with the duty of disclosure as described on page 4 of this Policy, we may:

- avoid the Policy if the failure to comply with the duty of disclosure or the misrepresentation of information was fraudulent;
- avoid the Policy within 3 years of the Commencement Date, if we would not have entered into the Policy on any terms had the duty of disclosure been complied with or the misrepresentation not been made;
- vary the Benefit provided under this Policy; or
- if the misrepresentation is in relation to the age of the Eligible Person or Insured Member we may vary the Benefit and/or Premiums payable under this Policy.

Cessation of Cover / Extended Cover

All insurance cover under this Policy for an Insured Member will cease on the earliest of the following:

- sixty (60) days after the date the Insured Member ceases to be a member of the Fund
- sixty (60) days after the date the Insured Member no longer qualifies as an Insured Member under this Policy;
- the date the Insured Member attains the Ceasing Age stated in the Schedule;
- the day before the Insured Member commences service in the armed forces of any country (excluding Australian Army Reservists not deployed overseas);
- the date the Insured Member is paid a death Benefit;
- the date of the Insured Member's death; or
- the date this Policy terminates, or is cancelled.

Termination of this Policy, or the cessation of cover for an Insured Member, shall not prejudice any entitlement to make a claim for an event which happened prior to the cessation of cover.

Premiums

The initial Premium will be payable on the Commencement Date of the Policy and must be paid within 30 days. Subsequent Premiums will be payable annually in advance of the Annual Renewal Date, although you may vary the terms for payment of Premiums by agreement with us. The frequency of payment of Premiums will be set out in the Schedule. Premiums must be calculated using the Premium rates set out in the Schedule.

Premium adjustments will be made to the Premium at each Annual Renewal Date to take into account the number of Insured Members at the Annual Renewal Date and any variation in the level of Benefits insured under this Policy over the period since the Policy commenced, or the last Annual Renewal Date.

If as a result of the recalculation of the Premium, you have paid too much we will refund you the overpayment. If you have not paid enough, we will notify you in writing of the additional Premium due. We refer to this as the adjustment Premium.

Insured Members who you have not advised us of as part of the renewal information will not be covered by this Policy until:

- you have advised us that the person should have been included; and
- we have agreed to cover the person on such terms as we may determine.

We require you to provide us with the policy renewal information necessary to determine Premiums within a reasonable time frame each year. You must pay a deposit Premium equal to the previous year's Premium within 30 days of the Annual Renewal Date, until you provide us with sufficient renewal data for us to determine the updated Premium.

If Premiums are not paid within thirty (30) days of the date they fall due, we will give you notice of our intention to cancel the Policy. If the overdue Premiums have not been paid within a further twenty-eight (28) days of that notice, the Policy will be cancelled and all cover will cease, unless otherwise agreed by us.

All Premiums under this Policy must be paid in Australian currency.

You must pay the Premium for all periods during which the Policy has been in force.

A Premium loading will apply if you elect to pay Premiums by any frequency other than annually, as set out in the Schedule.

We reserve the right to recover from you the cost of any duty, tax, excise or other charge of the Commonwealth or any State or Territory Government in respect of this Policy. The Federal Government passed Goods and Service Tax (GST) legislation effective from 1 July 2000, under which MLC products are input-taxed. While this means that no explicit GST charge will be directly applied to this Policy, MLC does have to pay GST on some of the goods and services involved in its provision. MLC is not entitled to claim input tax credits for all of the GST it pays, and this will result in increased costs which may be reflected in Premium rates.

When we can change the Premium Rates / Automatic Acceptance Level (AAL)

We may vary the Premiums and Automatic Acceptance Level (AAL) at any time if we give you one month's prior notice in writing. Unless otherwise specified in the Schedule, Premium rates will generally remain fixed for a period of three years from the commencement of the Policy. Any variation resulting in higher rates or a reduction in the Automatic Acceptance Level will not be made within the Premium Rate Guarantee Period set out in the Schedule, unless:

- the number of Insured Members changes by more than 25% within any 12 month period; or
- there are changes to the occupations, countries in which Insured Members are located, or other circumstances affecting the Insured Members which leads, in our opinion, to a major change in the risk insured by this Policy; or
- there is a change in any government charge, licence fee, tax or any other impost that is directly attributable to the Policy; or
- there is an invasion or outbreak of war (whether declared or not) in Australia, New Zealand or the member's country of residence. If you do not pay any such increase we will not pay any Benefits under the Policy in respect of an Insured Member where the event giving rise to the claim arose either directly or indirectly from the invasion or war.

In such cases the changed Premium rates and AAL will apply from the date of our written notice to you. Any alteration to the rates and AAL can only be made once in any 12 month period.

General information

Guaranteed Renewal

We guarantee that we will renew this Policy at each Annual Renewal Date, subject to:

- receipt of renewal information satisfactory to us; and
- the due observance of all terms and conditions of this Policy; and
- payment of Premiums by the due date.

Reinstatement

If the Policy is cancelled due to non-payment of Premiums, we may, at our discretion reinstate it on such terms as we may determine.

When the Policy ends

You can end this Policy by giving us written notice or we can agree on an earlier termination date with you. If the date of cancellation falls prior to the Annual Renewal Date, we will calculate and may deduct Premiums due and payable for the period the Policy was in force, (including any administration expenses) from any Premium refund due to you.

If the Policy is cancelled we will only consider a claim if:

- the event which gave rise to the claim occurred before the Policy was cancelled; and
- cover for the event which gave rise to the claim has not been taken over by a new insurer; and
- any Premium arrears have been paid up to the date the Policy was cancelled.

When we can end the Policy

We may cancel a Policy by giving written notice if you fail to pay a Premium on the Premium due date, (refer to page 3, 'Premiums' for further details) or as otherwise permitted by law.

Duty of Disclosure

As an employer or Fund, before you enter into a contract of life insurance with an insurer, you have a duty under the Insurance Contracts Act (1984) to disclose to the insurer every matter that you know, or could reasonably be expected to know which is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms. An Insured Member has the same duty to disclose those matters to the insurer before such a contract of life insurance is extended, varied or reinstated.

Your duty however, does not require a disclosure of a matter:

- that diminishes the risk to be undertaken by the insurer;
- that is of common knowledge;
- that your insurer knows or, in the ordinary course of business, ought to know;
- for which your duty of compliance is waived by the insurer.

Non-disclosure

If you fail to comply with your duty of disclosure and we would not have entered into the contract on any terms if the failure had not occurred, we may avoid the contract within three years of entering into it. If your non-disclosure is fraudulent, we may avoid the contract at any time.

An insurer who is entitled to avoid a contract of life insurance may, within three years of entering into it, elect not to avoid it but reduce the sum that you have been insured for in accordance with a formula that takes into account the Premium that would have been payable if you had disclosed all relevant matters to the insurer.

Your duty of disclosure continues until the contract of life insurance has been accepted by us and confirmation in writing is issued. It also applies if you seek to extend, vary or reinstate the contract.

Right to inspect records

We reserve the right, upon giving you reasonable notice, to inspect your books and records in relation to this Policy and to take and carry away copies of any relevant records. This right shall continue notwithstanding the termination of this Policy for any reason for a period of two (2) years after termination or until final settlement of all claims made under the Policy, whichever is the latter. We will try to minimise any inconvenience to your operations during such reviews.

Cooling Off period

A 14 day cooling off period applies for the Policy owner and members who establish a group Policy with MLC for their employees or members of a Fund. The insurance cover may be cancelled and Premiums paid will be refunded, provided notification is received by us within 14 days of the commencement of the cooling off period. The cooling of period commences on receipt of the Policy Schedule or at the end of the fifth business day after the Policy Schedule was issued, whichever occurs first. If notice is received within the cooling off period, we will cancel the Policy in accordance with the request.

The cooling off period terminates immediately if the Policy owner or member acts in a manner confirming an interest or rights under the Policy.

Notices

Any notice we give you, or any notice you are required to give us, must be in writing. We can give you a notice personally or send it to you at your address last known to us, or send it to someone else nominated by you. A posted notice will be taken to be received on the third day after posting. A notice sent by facsimile is taken to be received at the time the facsimile transmission report indicates that it was sent in its entirety to the facsimile number of the recipient. An email notice is taken to be received at the time it appears in the recipients email inbox.

You should send notices to us as follows:

- By post or delivery to MLC Group Insurance, 105–153 Miller Street, North Sydney NSW 2060 or
- PO Box 200, North Sydney NSW 2059; or
- Send by facsimile to **(02) 9966 3502** (Sydney), or
- By email to **groupsales@mlc.com.au**

Currency

All monetary amounts referred to in this Policy and the attached Schedule are in Australian dollars and all transactions will be made in Australian dollars.

Government Charges

Any additional stamp duty, tax or other charge levied from time to time by a government authority is payable by you in addition to Premiums, unless agreed otherwise.

General questions you may have

What if I have a complaint?

You are welcome to call Group Insurance on **(02) 8908 6111**. You can speak with one of our client service co-ordinators and in most cases we can deal with your complaint over the phone. If we cannot resolve your complaint over the phone, MLC Group Insurance has formal procedures for dealing with complaints and you will need to write to us. In addition to your address, please provide your phone number and/or email address if you would prefer that form of contact. Your correspondence should be addressed to:

The Manager
MLC Complaints Resolution Team
PO Box 1086
North Sydney
NSW 2059

Please mark the envelope 'Notice of Complaint'.

We will make every effort to resolve your complaint as quickly as possible. If there is anything that may prevent this from happening, we will notify you.

If your complaint has not been resolved within 45 days of lodgement, or if you are dissatisfied with our decision, you may seek assistance from the Financial Ombudsman Service (FOS). FOS is an independent complaints resolution scheme established to provide free assistance to customers of the financial services industry. You can contact them at:

The Manager
Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Phone: 1300 780 808
Fax: 03 9613 6399

More information about FOS is available at www.fos.org.au

Definitions

For the purpose of this Policy the following important definitions apply:

'Annual Renewal Date' means each anniversary of the Commencement Date of this Policy unless otherwise agreed by you and us. This date is set out in the Schedule.

'Application' means an application for insurance cover under this Policy completed by you, via a proposal form to commence cover

'Automatic Acceptance' means the acceptance for cover by us for certain members of a group without the need to provide medical evidence.

'Automatic Acceptance Level (AAL)' means the dollar limit of cover for Automatic Acceptance specified in the Schedule.

'Benefit' means the death Benefit described in the Policy and the Schedule.

'Benefit Formula' means the formula used for calculating the amount of cover for an Insured Member, as described in the Schedule.

'Ceasing Age' means the age at which cover under the Policy ceases for an Insured Member, as shown in the Schedule.

'Commencement Date' means the date of commencement of cover under this Policy as set out in the Schedule.

'Doctor' means a registered medical practitioner who is acceptable to us and who is not the Insured Member or spouse, family member, business partner, employee or employer of the Insured Member.

'Eligible Person' means a person who has been nominated by you for cover under the Policy and who meets the Eligibility Terms as set out in the Schedule.

'Eligibility Terms' means the rules for eligibility set out in the Policy and the Schedule.

'Fund' means the superannuation fund trustee named as the Policy owner in the Schedule (if any).

'Insured Member' means an Eligible Person who has been accepted by us for inclusion under and, in accordance with, the provisions of the Policy.

'Policy' means this contract of insurance between you and us which includes the policy document and Schedule and any other documentation, including policy annexures, that we advise form part of the policy.

'Premiums' means the amounts required to be paid by you under this Policy, as calculated in accordance with the rates set out in the schedule or as advised by us from time to time.

'Premium Rate Guarantee Period' means the period stated in the Schedule.

'Renewal Date' means each anniversary of the Commencement Date of this Policy unless otherwise agreed. This date is shown in the Schedule.

'Schedule' means the schedule to this Policy headed schedule, as amended from time to time and any annexures or other documentation we advise that forms part of the schedule.



MLC Group Insurance

Where to get help

MLC Group Insurance

For more information call
MLC Group Insurance from
anywhere in Australia on
1800 458 038.

Email: groupsales@mlc.com.au
or contact your Adviser.

Website

For details on MLC's range of
products and services visit our
website at www.mlc.com.au

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