

Combined Product Disclosure Statement, Financial Services Guide and Policy Document

Need help?

Call us on: **1800 633 170**

Go to: **nib.com.au/incomeprotection**
nib.com.au/lifeinsurance

nib health care services pty ltd ABN 91 003 037 625 is an authorised representative (AR Number 321683) of TAL Direct Pty Limited ABN 39 084 666 017 AFSL 243260, which promotes products. These products are issued by TAL Life Limited ABN 70 050 109 450 AFSL 237648 and Involuntary Unemployment Cover is issued by St Andrew's Insurance (Australia) Pty Ltd ABN 89 075 044 656 AFSL 239649.

Important information about

- nib Income Protection
- nib Value Life Insurance

Issue date: 24 December 2015

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About this document

This combined Product Disclosure Statement and Policy Document (PDS) and Financial Services Guide (FSG) is designed to help you decide whether to buy nib Income Protection and/or Value Life Insurance ('these products'). The information in this document is general information only and does not take into account your individual objectives or financial situation. You should consider how appropriate this insurance is with regard to your objectives, financial situation and needs before making a decision whether to acquire this product.

If you take out a Policy we will send you a Policy Schedule. Please keep a copy of this document in a safe place. Together with your application, they form the contract between the Policy Owner, TAL Life Limited (ABN 70 050 109 450, AFSL 237848) of Level 16, 363 George Street, Sydney NSW 2000 and St Andrew's Insurance (Australia) Pty Ltd (ABN 89 075 044 656 AFSL 239649) of Level 6, 100 Skyring Terrace, Newstead QLD 4006 in the case of Involuntary Unemployment Cover. The PDS sets out all of the terms and conditions for the Policy, while the Policy Schedule sets out your Policy details and any extra terms and conditions that apply to you. Please read the PDS and the Policy Schedule carefully to understand how your Policy works and to make sure your details in the Policy Schedule are correct. You will need these documents if you make a claim.

Reading this document

The information in this document is current at the date of issue. In this document, 'you' and 'your' refers to the Policy Owner or Life Insured as applicable, and 'nib' refers to nib health care services pty ltd ABN 91 003 037 625 of 22 Honeysuckle Drive, Newcastle, 2300, Authorised Representative Number 321683. In the PDS section of this document, 'TAL', 'St Andrew's', 'we', 'us' or 'our' refers to TAL Life Limited, TAL Direct Pty Limited or St Andrew's Insurance (Australia) Pty Ltd as applicable.

About the issuers

TAL Life Limited is the issuer of the life insurance benefits and St Andrew's is the issuer of the Involuntary Unemployment Cover outlined in this combined PDS and Policy Document. TAL and St Andrew's are responsible for the entirety of this document and each is severally responsible for the claims assessment and payments, ongoing administration and operation of this product relevant to the respective cover they have issued. Neither nib, nor any of its employees, agents or other representatives, guarantee or accept liability or are otherwise responsible for these products. These products are not savings plans and have no cash value. If you cancel after the cooling-off period you will not receive any money back.

About the distributor

TAL Direct is the distributor of this product and has appointed nib to be its Authorised Representative (Authorised Representative Number 321683).

Changes to this document

Information in this document may change from time to time. If they are not materially to your disadvantage, we may make changes by changing the PDS or FSG and publishing an updated version at nib.com.au. You can also ask for a free printed copy of the updated information by contacting our Customer Service Centre on 1800 633 170.

Meaning of words

Some words in this document have a particular meaning. To help you read this document, we have capitalised many of the important terms and have defined them in the Glossary section on Page 36.

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Protection for your most valuable asset - you

None of us knows what life will throw at us. That's why it's worth thinking about how you can protect your financial security, just in case the unexpected happens. And if you have loved ones who depend on you financially, of course you want to safeguard their financial future as well.

After all, you understand how important it is to have health insurance so you have peace of mind knowing that you can access private hospitals, have your choice of doctor and get help with the cost of services not fully covered by Medicare. So why wouldn't you want that same peace of mind to help protect your income or your family's financial future?

Peace of mind for you and your loved ones

nib Income Protection & nib Value Life Insurance

Pays up to
85%
of your income
if you can't work due
to Sickness or Injury

Pays up to
\$1 million
if you die or become
Terminally Ill

To help you pay for



Rent or Mortgage Everyday bills Medical costs

To help your family pay for



Rent or Mortgage Everyday bills Their current lifestyle

For peace of mind when you



Rely on your income to get by Have people who depend on you financially

For peace of mind when you



Have people who depend on you financially Want financial security for your loved ones

1. Why choose nib Income Protection?

nib Income Protection can help protect your income if you suffer a setback due to Sickness or Injury. It helps to provide you with a regular income replacement to help pay the bills, so that you can focus on your recovery.

We recognise your good health and lifestyle, offering lower nib Income Protection Premiums to those in good health. By answering some simple questions, you could really save. It's just one of the great reasons to have nib Income Protection.

With nib Income Protection you can take advantage of:

- Up to 30% off your Premiums if you're in good health
- Premiums tailored to match your job
- Shorter Waiting Periods from as little as 14 days
- Optional extra cover for Involuntary Unemployment and Permanent Disability
- Cover available for students, stay at home parents and the Self-Employed with Basics cover
- Simple income protection cover that puts you in control – so you can tailor the cover to suit your needs

How Income Protection cover works

How much cover can I get?	Up to 85% of your pre-tax income, to a maximum of \$10,000 a month with nib Income Protection cover.
How long do I have to wait to lodge a claim?	You can choose a Waiting Period of either 14 or 28 days for Sickness or Injury claims. This is the time you need to be Out of Action before you are eligible for a payment.
How long can I get a payout for?	Choose from 6, 12 or 24 months Payout Period for Sickness and Injury claims to suit your budget and needs. Your Benefit will be paid into your nominated bank account on a monthly basis in arrears.
What can I spend the money on if I make a claim?	Anything you choose! You can manage everyday bills, take care of extra medical costs or pay for anything else you need.
Who can apply?	Australian Residents aged 18 to 60.
At what age does the policy expire?	At the Policy Anniversary after turning age 75. Cover will be limited to a maximum of \$3,000 a month from age 65.
Does it take long to get covered?	Just a few minutes over the phone, and there are no medical or blood tests.
Exclusions	Exclusions apply. Please familiarise yourself with the list of exclusions on pages 11 and 12.
Optional Cover	You can add Permanent Disability and Involuntary Unemployment Cover to your policy.
How do I get started?	Visit nib.com.au or call 1800 633 170 .

About Basics Cover

If you aren't eligible for nib Income Protection because of your health, lifestyle or occupation, nib offers Basics cover to help you still protect your income. Basics cover is also available for students, stay at home parents, the Self Employed or if you have just started a job. It provides cover for up to 85% of your pre-tax income to a maximum of \$7,500 a month if you're working, or up to \$3,000 a month if you work less than 20 hours a week. Basics cover has a fixed Waiting Period of 28 days before you are eligible for a payment.

It works like the nib Income Protection cover; however there are additional exclusions for Basics cover. For more information see pages 11 and 12.

Get more protection with optional extra covers

Involuntary Unemployment Cover

With Involuntary Unemployment Cover, you can choose to insure up to 85% of your pre-tax income, up to \$3,000 a month for up to three months if you're involuntarily made redundant or, if you are Self-Employed and your business becomes insolvent. This option is available if you are working on a permanent basis for 30 hours or more a week and have been continuously employed for more than six months prior to a claim.

For more information on Involuntary Unemployment Cover see page 9.

Permanent Disability Cover

The Permanent Disability option could provide valuable protection if your Sickness or Injury has left you Permanently Disabled. You can choose a Benefit Amount between \$50,000 to \$500,000 and Cover commences six months after it has been taken out.

When added to the Basics cover, it is important to understand that there are additional exclusions which may apply. For more information on Permanent Disability Cover see page 10.

Your Premium

We tailor your insurance Premium to fit your individual situation. The factors that affect your Premium include:

- Your age, gender and health;
- Whether you smoke;
- Your occupation and lifestyle;
- The amount you want us to pay you each month (Monthly Benefit);
- How long you are prepared to be Out of Action before you are able to claim (Waiting Period);
- How long you want your payments to continue for (Payout Period);
- Any optional extras that you choose i.e. Involuntary Unemployment or Permanent Disability Cover; and
- How often you pay your Premiums — fortnightly, monthly, quarterly or annually.

Pay annually and save!

If you pay your Premiums annually, we'll give one month's cover free every year.

See the nib Income Protection Benefit terms and conditions for full cover details, exclusions and more information.

Benefit terms and conditions

We encourage our customers to make sure they understand all aspects of their nib Income Protection benefits, so here are a few things you need to know before you take out cover. These terms and conditions will apply to your Policy.

Benefits for Sickness and Injury Cover

Sickness and Injury Cover Benefit, on both nib Income Protection cover and Basics cover is payable after a Life Insured has been Out of Action solely due to Sickness or Injury for the entire Waiting Period.

The Benefit Amount shown on the Policy Schedule, subject to these conditions:

If your plan is nib **Income Protection Cover**, the Benefit Amount payable is the lesser of:

- the monthly amount shown on the Policy Schedule; or
- 85% of the Life Insured's average gross taxable Monthly Income in the 12 months preceding the Sickness or Injury that caused the Life Insured to be Out of Action, less any adjustments/offsets that may be applicable. See page 14 on Adjustments.

If your plan is **Basics cover**, for Benefit Amounts up to and including \$3,000, the Benefit paid is the monthly amount shown on the Policy Schedule; for Benefit Amounts greater than \$3,000, the Benefit payable is the lesser of:

- the monthly amount shown on the Policy Schedule; or
- 85% of the Life Insured's average gross taxable Monthly Income in the 12 months preceding the Sickness or Injury that caused the Life Insured to be Out of Action, less any adjustments/offsets made to a minimum of \$3,000. See page 14 on Adjustments.

The Sickness and Injury Benefit starts to accrue from the end of the Waiting Period while the Life Insured remains Out of Action.

The Benefit Amount will be paid monthly in arrears, and for partial months, the amount paid will be at the rate of 1/30th of the Benefit Amount for each day the Life Insured is Out of Action after any applicable Waiting Period.

The Benefit will continue until the earliest of:

- the date the Life Insured is no longer Out of Action;
- the end of the Payout Period for Sickness and Injury Cover as shown in the Policy Schedule; or
- the termination date of the Policy.

We will pay a Benefit for a maximum of three months for any one claim whilst the Life Insured is and remains outside of Australia subject to the Benefit terms and conditions of this Policy and on provision of medical evidence acceptable to us (in English).

Benefit after age 65

After age 65 and up to age 75 the Benefit is reduced as described on page 15 of this document under the heading Cover after age 65.

Involuntary Unemployment Cover

Involuntary Unemployment Cover Benefit applies if:

- Involuntary Unemployment Cover has been selected by you for the Life Insured and is shown on the Policy Schedule;
- The Life Insured is aged between 18 and 64 years of age (inclusive);
- Involuntary Unemployment Cover has been continuously in force for at least the six months immediately preceding the Life Insured's Involuntary Unemployment; and
- At no time prior to or within the first six months from the Cover Start Date has the Life Insured's employer announced via the mainstream media impending redundancies or that it may suspend or cease trade, or the Life Insured received verbal or written notice that they may or will become Involuntarily Unemployed.
- The Life Insured has been continuously employed or Self Employed in their Usual Occupation and has not been bankrupt, nor has the Life Insured's business been in liquidation, prior to or within the first six months from the Cover Start Date.

Cover is payable after the Life Insured has been Involuntarily Unemployed for the entire Waiting Period and starts to accrue when he or she remains Involuntarily Unemployed subject to the exclusions applicable listed on pages 12 and 13 of this document. The Benefit will continue until the earliest of:

- the Life Insured is no longer Involuntarily Unemployed;
- the end of the Involuntary Unemployment Payout Period shown in the Policy Schedule;
- the Life Insured attaining 65 years of age; or
- the termination date of the Policy by you or the insurer.

The Benefit Amount will be paid monthly in arrears, and for partial months, the amount paid will be at the rate of 1/30th of the Benefit for each day the Life Insured is Unemployed after the Waiting Period.

The monthly Benefit Amount can be equal to or less than the Sickness & Injury Cover benefit, up to a maximum 85% of the

Life Insured's taxable income (from personal exertion and net of expenses incurred in earning that income), up to \$3,000 per month, plus increases under Indexation.

Permanent Disability Cover

Permanent Disability Cover applies if it has been selected by you and Permanent Disability is shown in your Policy Schedule.

The Permanent Disability Cover Benefit is payable when a Life Insured is aged between 18 and 75 and, solely due to Sickness or Injury, is considered by us to be Permanently Disabled. This must occur after the date Permanent Disability Cover commenced for that Life Insured, and after the applicable six months Waiting Period.

The Benefit Amount payable is shown in your Policy Schedule.

Where the Life Insured is left Permanently Disabled, as diagnosed by a Medical Practitioner, we will require certified copies of evidence that the Life Insured is unlikely to ever be able to perform two or more of the following activities without the physical assistance of another person or using special equipment:

- Bathing – the ability to shower and bathe;
- Dressing – the ability to put on or take off clothing;
- Toileting – the ability to get on and off and use the toilet;
- Mobility – the ability to get in and out of bed and a chair; and
- Feeding – the ability to get food from a plate into the mouth.

See page 21 for more information on documentation supporting your claim.

Permanent Disability Cover for a Life Insured will end on the date which is the earliest of:

- the Benefit shown in your Policy Schedule having been paid in respect of the Life Insured;
- the Policy Anniversary after the Life Insured's 75th birthday; or
- when your Policy ends as detailed on page 15.

When the benefits are indexed

Each year except when a Life Insured is Out of Action, your Benefit Amounts will increase automatically at your Policy Anniversary to ensure that it keeps pace with the rising costs of living. We call this increase Indexation. Each year the Sickness and Injury Cover, and Involuntary Unemployment Cover or Permanent Disability Cover (where applicable), will increase by 3% or by the Indexation Factor, whichever is the greater, on each Policy Anniversary until a Life Insured's Sickness and Injury Cover reaches \$15,000, Involuntary Unemployment Cover reaches \$6,000 and Permanent Disability Cover reaches \$1,000,000.

Corresponding increases in Premiums will apply, based on the Premium rates that apply at that time. If you do not want an increase, tell us within 30 days of the Policy Anniversary and we will reverse the increase. Indexation increases will not apply if we are paying you a Benefit in respect of a Life Insured.

You may apply to increase the Sickness and Injury Cover, Involuntary Unemployment Cover and Permanent Disability Cover at any time up to the maximum level(s) then available. Any increases to the Benefits will not be payable until confirmed in writing by us.

Exclusions

We believe an informed customer is a happy customer, so please take note that regardless of which insurance type you've applied for and received, there are some things you can't claim for. Also, please be aware that no Benefit is payable if you are in jail or lawfully detained.

If you were not able to, or only partially able to, perform your Regular Daily Activities before you started your Policy, then a Benefit will not be paid at any time. For nib Income Protection cover and Basics cover or when making a claim for Permanent Disability Cover or Involuntary Unemployment Cover, no Benefit will be payable under this Policy if the event giving rise to the claim is caused directly or indirectly by:

Any mental health disorder, including: anxiety disorders and depression; stress or adjustment disorders; eating disorders; emotional or behavioural disorders; drug or alcohol abuse; psychosomatic disorders; or any treatment complications.

Fatigue: disorders related to fatigue, including chronic fatigue syndrome.

Drug and alcohol related Sickness or Injury: taking intoxicating liquor (however, we will pay a claim if you are at or under the legal blood alcohol limit for driving); taking drugs (unless prescribed to you by a Medical Practitioner and taken in the correct dose).

Cancer, Stroke or Heart Attack: at any time in the first six months after your Policy starts.

Pregnancy: normal and uncomplicated pregnancy is not Covered.

War and terrorism: terrorism, civil commotion or unrest; guerrilla or insurgent activities in countries outside Australia, if the Australian Government has advised not to travel to that country; war, or an act of war.

Self-harm: any intentional act of self-harm. This includes exposing yourself to risk of Sickness or Injury for any reason.

Criminal activity: any Sickness or Injury that occurs as a result, or during, committing or attempting to commit a criminal offence.

Other: any other specific exclusion agreed with you first.

In addition to these, there are some further situations not Covered if you have the Basics cover. These are:

Known or Pre-Existing Medical Conditions: any Sickness, Injury or Medical Condition that you had, or had symptoms of, at any time in the five years prior to the start of your Policy (or five years prior to a Benefit increase, where applicable), whether diagnosed or not, for which you sought treatment or advice, or of which you were aware or of which someone in your position should have reasonably been aware.

The following are also considered to be Pre-Existing Medical Conditions for any stroke, haemorrhage or heart-related event if apparent in the five years before you started your Policy:

- Body Mass Index of 40 or higher;
- Systolic blood pressure having exceeded 160 mmHg and diastolic blood pressure having exceeded 100 mmHg;
- Total blood cholesterol having exceeded 7.0 mmol/L;
- Being a diabetic with any one of the following: proteinuria, kidney disease, retinopathy, neuropathy or admittance to hospital for treatment of diabetes.

Aviation: if your Sickness or Injury is related to being involved in any form of aviation apart from being a fare-paying passenger on a commercial flight.

Dangerous occupation or pastime: willingly and knowingly exposing yourself to risk of Sickness or Injury for any reason including recreation, gain, reward or regular remuneration.

Large height/depth/speed: meaning engaging in work or a lifestyle activity that involves explosives, weapons, heights above 20m, depths below 30m underground or underwater or speeds above 130km per hour, other than as a fare-paying passenger on a commercial airline.

Football-related injuries: resulting in less than 90 days Out of Action.

Back injuries: resulting in less than 90 days Out of Action.

Exclusions for Involuntary Unemployment Cover

If you take out the optional Involuntary Unemployment Cover, please be aware that you are not Covered for this Benefit where you became aware of, or you were notified of redundancy prior to, or within the six months immediately following commencement of the Cover, or if your Involuntary Unemployment is a result of any of the following:

- Sickness or Injury;
- Voluntary redundancy or resignation, or abandonment of employment, retirement or early retirement;
- Unemployment arising as a consequence of circumstances known to you or where an employer has announced via the mainstream media, prior to the Cover Start Date, an intention to reduce staff numbers by way of redundancies;
- An employer terminating the Life Insured's employment during a probationary period;
- Being personally insolvent or under any form of personal insolvency administration, including bankruptcy, due to personal debts;
- Your business being unable to pay its debts, or you or your business being served with any document to commence proceedings or process for you or your business to be placed in any form of insolvency administration for business-related debts, at any time prior to or within the first six months from your Cover Start Date;
- The end of employment in a family business controlled by you or an Immediate Family Member;
- Misconduct, dishonesty or engaging in criminal activities or illegal acts or drug and/or alcohol abuse or intoxication;
- Poor performance in carrying out your occupation including dismissal following formal disciplinary procedures;
- Your refusal of any offer of reasonable alternative employment by your employer linked to your education, training and experience;
- Any strike or labour dispute or labour disturbance in which you and/or your employer is involved;
- The loss of, or not maintaining the currency of any licence, authorisation or permit required to operate the business, including the loss of a driver's licence, trade or professional certification;
- You cease work due to the seasonal, casual or temporary nature of employment, or a contract (including a fixed term contract), is terminated early or completed;
- Involuntary Unemployment occurring outside Australia;
- If you are in jail or otherwise lawfully detained.

No Involuntary Unemployment Cover Benefit is payable if you are not actively seeking work or are not registered with Centrelink or a recruitment agency approved by us to seek work.

Adjustments

This applies to reduce the Sickness and Injury Cover Benefit, only if you receive other income payments, which together with the Benefit exceed 85% of Monthly Income. If any payment is received as a lump sum, it will be converted to income on the basis of 1% of the lump sum for each month that a Benefit is paid. The Benefit will be calculated taking this figure into account for a maximum of eight years.

Other income payments are payments received from:

- any other individual or group income protection Policy;
- any social security payments; or
- any workers' compensation or accident claim made under any state or federal legislation or common law.

Alterations after your policy has commenced

You have the flexibility to make changes to your Policy after it has commenced. For example, you can add an additional person to your Policy who is aged 60 or younger or remove existing ones or change your Cover amount prior to age 60.

Please note these changes may have an impact on your Policy. By adding people to your Policy or increasing your Cover amount, your Premiums may go up, however if the Cover you need reduces, then your Premiums will likely reduce in line with this. We understand that situations can change. If you find yourself having trouble budgeting for your Policy, please call us on **1800 633 170** – we'll go through your options and work out the best way for you to manage your Premiums, while still keeping your Cover.

Alterations and variations

This Policy can only be changed by TAL and/or St Andrew's in writing. No other person or company including an agent of TAL and/or St Andrew's has the right to change any part of the Policy.

Special conditions and exclusions

It is important that you read the Policy Schedule to confirm the details are correct and to note any special conditions or exclusions which may apply to this Policy.

Cover after age 65

After age 65 and up to age 75 the Policy provides ongoing limited Sickness and Injury Cover. At the Policy Anniversary after a Life Insured turns age 65, the Sickness and Injury Cover in respect of that Life Insured will be reduced to the lesser of the Benefit as shown on the Policy Schedule or \$3,000, so that:

- if the Benefit is greater than \$3,000 at the Policy Anniversary after age 65, then the Benefit is reduced to \$3,000;
- if the Benefit is less than or equal to \$3,000 at the Policy Anniversary after age 65, then the Benefit remains unchanged.

Your Premiums will change according to the adjustments in the Benefit at this time.

When your cover starts and ends

As long as you keep your Premiums up to date and pay when due, you will continue to be offered renewal until the anniversary of your Policy immediately following your 75th birthday. However, after the anniversary of your Policy immediately following your 65th birthday, your Cover is limited to a maximum of \$3,000 per month.

Your Policy starts at the Policy Start Date and ends when the earliest of the following events occurs:

- For Sickness and Injury Cover and Permanent Disability Cover (if applicable), the Policy Anniversary immediately following the Life Insured's 75th birthday, for Involuntary Unemployment Cover, the Policy Anniversary immediately following the Life Insured's 65th birthday;
- the death of the Life Insured;
- your Policy is cancelled due to:
 - non-payments of Premiums; or
 - you making a fraudulent claim;
- the date we receive a written request from the Policy Owner to cancel the Policy;
- for Involuntary Unemployment Cover, the Policy being terminated by you or the Insurer; or
- if your Policy is cancelled from inception due to you making a non-disclosure or misrepresentation at the time of application.

With respect to the Involuntary Unemployment Cover, this insurance may be renewed for further consecutive yearly periods upon payment of the premium. Payment of your premium is deemed to be acceptance of an offer of renewal for a further yearly period. If you continue to pay your premium, then unless your Policy is cancelled or We advise you prior to the Policy Anniversary that We will not be renewing, a Policy on the same terms and conditions automatically comes in to existence for one year from the Policy Anniversary.

Other terms and conditions

For other terms and conditions that apply to your nib Income Protection cover, see Section 4, 'Other things you need to know', on page 25.

2. Why choose nib Value Life Insurance?

nib Value Life Insurance can help to safeguard your loved ones by paying a lump sum up to \$1 million if you die or are diagnosed with a Terminal Illness likely to result in your death within 12 months. So you can be confident you've helped care for your family's future, even if you're no longer around.

How it works

How much is it worth?	Your choice of cover from \$100,000 to \$1,000,000.
Who can apply?	Australian Residents aged 18 to 65, currently living in Australia with no plans to move overseas.
When will the benefit get paid?	Life Insurance is paid when you die or an early payout can be made if you are diagnosed with a Terminal Illness with less than 12 months to live – so you or your family can use the money to help pay off the mortgage, medical expenses or even things like your children's education.
Who will the benefit be paid to?	The Benefit Amount will be paid out to one or more of the beneficiaries you nominate to receive your life insurance lump sum payout. We may even provide an Advanced Payment of \$10,000 if your claim is approved to help cover immediate expenses if you pass away.
How does my beneficiary make a claim?	The quickest and simplest way is for your nominated beneficiary to call us on 1800 633 170 with your policy details. We will send out the claims forms they need and guide them through what we will need to assess the claim.
Does it take long to get covered?	Just a few minutes over the phone, and there are no long application forms to fill out.
How do I get started?	Visit nib.com.au or call 1800 633 170 .

Your Premium

We tailor your insurance Premium to fit your individual situation – most customers can get an online quote in minutes at nib.com.au

The factors that affect your Premium include:

- Your age, gender and health
- Whether you smoke
- Your occupation and lifestyle

- How much you choose as the payout amount (level of cover)
- How often you pay your Premiums — fortnightly, monthly, quarterly or annually.

Pay annually and save!

If you pay your Premiums annually, we'll give one month's cover free every year.

Exclusive Premium Protection benefit

With nib's exclusive Premium Protection benefit, you will automatically receive protection for up to six months. This means that we'll reimburse your nib health cover and waive your Premium costs for up to six months if you're Seriously Incapacitated from an Accident. Think of it as extra peace of mind.

See the nib Value Life Insurance Benefit terms and conditions for full cover details, exclusions and more information.

Benefit terms and conditions

We encourage our customers to make sure they understand all aspects of their Life Insurance Benefits, so here are a few things you need to know before you take out your Cover.

Your Policy

Your Policy provides Benefits based on your application and the declaration you and each Life Insured make as part of the application process. It also comprises:

- the Policy Schedule which sets out your details, details of each Life Insured or Lives Insured, your Benefit Amount, the total amount payable as your first Premium and any special conditions or exclusions that apply to your Policy; and
- this combined PDS and Policy Document which contains the terms and conditions of the nib Value Life Insurance Plan and explains how the Benefits work.

Death Benefit

The Life Insured's death Benefit details are shown in the Policy Schedule. The Benefit Amount can change through Indexation or if you apply to increase or decrease your Cover.

The death Benefit is payable if a Life Insured dies or is diagnosed as having a Terminal Illness except as otherwise stated in the Policy. If the Benefit amount is paid in full as a result of diagnosis of Terminal Illness, then no further benefits shall become payable for that Life Insured. All Benefit Amount will be paid to the Policy Owner or, if a

nomination has been made, to the Nominated Benefit Recipient. We will pay your claim once we have received proof acceptable to us of your entitlement to be paid under this Policy. Upon our admission of a claim for the death Benefit, and to help with legal and other expenses, we may pay \$10,000 as an Advanced Payment if your claim is approved. The balance of the death Benefit will be paid upon a Grant of Probate or Letters of Administration.

Maximum benefit payable per Life Insured

If a Life Insured is also covered with any other TAL insurance Cover (except Funeral Insurance, Insurance Plan for Over 55s or Income Protection Insurance) the maximum Benefit Amount that can be paid upon death under all policies is \$1.2 million, plus any Indexation accrued to a maximum of \$2.5 million.

Exclusions

No Benefit is payable on the Terminal Illness or death of a Life Insured if either is the direct or indirect result of suicide or an intentional self-inflicted act within 13 months of:

- the Policy Start Date;
- the date of any Benefit increase, but only in respect to that increase; or
- the date of the latest reinstatement of the Policy.

Other conditions or exclusions may also apply to your Policy. If so, these are stated on the Policy Schedule.

If a Benefit is not paid, we will not refund the Premiums you have paid.

When the benefits are indexed

Each year your Benefit Amount will increase automatically at your Policy Anniversary to ensure that it keeps pace with rising costs in living. We call this increase Indexation and the rate of increase will be 5% or the Indexation Factor as set out in the Glossary whichever is greater. The Benefit Amount shown in your Policy Schedule will be Indexed if your Policy Schedule shows that Indexation applies.

Indexation is not compulsory so if you do not wish to have your Benefit Amount increase each year, you must write to us with 30 days of receiving your Policy Anniversary letter. If you ask us to Index the Benefit Amount for three successive years, no further Indexation applies for the Policy. In any event, Indexation stops after the Policy Anniversary immediately before the Life Insured turns 70.

The maximum death Benefit that can result after Indexation is \$2,500,000.

If you apply to increase your Cover beyond any automatic Indexation increases, then you will be asked Underwriting questions and may be asked to provide other information that we may require to accept the increase in Cover.

Any increase in Cover (except Indexation increases) will not apply until it is confirmed in writing by us.

Nominated Benefit Recipient

If you are the sole Life Insured and Policy Owner under this Policy, you can nominate to whom the death Benefit will be paid on your death. They are called Nominated Benefit Recipients.

Any nomination of benefit recipients under this condition is binding on us once we receive it and send written confirmation of the nomination back to you. However, you can ask us to change or revoke a nomination at anytime.

If a nomination is made, details of the Nominated Benefit Recipient(s) will be shown in the Policy Schedule. If a change or revocation is made in relation to a nomination, a new Policy Schedule will be issued as confirmation of the change or revocation.

In the event a Nominated Benefit Recipient predeceases the Life Insured, the nomination of that benefit recipient is invalidated.

If there are other surviving Nominated Benefit Recipients then the benefits will be paid to them in accordance with the proportions in your nomination, but with those surviving proportions being scaled up to total 100%.

If there is no surviving Nominated Benefit Recipient, then the death Benefit will be paid to you, or if you have died, to your legal personal representative or a person we are permitted to pay under the Life Insurance Act 1995 (Cth).

Can I make alterations to my Policy after it has commenced?

You have the flexibility to make changes to your Policy after it has commenced. For example, you can add an additional person to your Policy who is aged 65 or younger or remove existing ones or change your Cover amount prior to age 65.

Please note these changes may have an impact on your Policy. By adding people to your Policy or increasing your Cover amount, your Premiums will go up, however if the Cover you need reduces then your Premiums will likely reduce in line with this. We understand that situations can change. If you find yourself having trouble budgeting for your Policy, please call us – we'll go through your options and work out the best way for you to manage your Premiums, while still keeping your Cover.

Alterations and variations

This Policy can only be changed by us in writing. No other person or company including our agent of TAL has the right to change any part of the Policy.

Special conditions and exclusions

It is important that you read the Policy Schedule to confirm the details are correct and to note any special conditions or additional exclusions which may apply to this Policy.

When does my Cover end?

Your Cover starts at the Policy Start Date and ends in respect of a Life Insured when the earliest of the following events occurs:

- the date your Policy is cancelled;
- the date your Policy lapses due to non-payment of the Premium;
- when the Benefit Amount is paid in full for that Life Insured; or
- the Cover End Date.

Other Terms and Conditions

For other terms and conditions that apply to your nib Value Life Insurance policy, see Section 4, 'Other things you need to know', on page 25.

3. How to make a claim

nib Income Protection and Value Life Insurance are designed to help take the financial difficulty out of what can be a very stressful time. That's why we've kept the process as straightforward as possible.

Step 1

If you or your family need to make a claim, please contact us as soon as possible on **1800 633 170**. We will send the claim forms to you or your nominated beneficiaries.

Step 2

You, your nominated beneficiary, or your legal representative will need to complete a claim form that we provide and may need to provide further information we require so that we can assess your claim.

Information we will need to assess your Claim

You or your legal representative must provide us, at your own expense, with any completed claim forms, information or Certified Copies of documentation supporting the claim that we reasonably require. We will contact you within a reasonable time from the submission of your claim and inform you of any additional information and/or documentation that we require in order to assess your claim.

We require the following for all claims:

- Certified Copy of proof of age of the Life Insured;
- For Sickness and Injury and (if applicable) Permanent Disability Cover and Involuntary Unemployment claims, completion of an initial claim form and if applicable, progress claim form each month or as and when required by us. We will require proof of the Sickness, Injury or event for which a claim is being made, supported by (but not limited to):
 - evidence of the date and location of where the event leading to the Injury occurred (if applicable); and
 - appropriate evidence from a Medical Practitioner of the Sickness and Injury, including confirmatory investigations such as clinical, radiological, histological and laboratory evidence; and
 - confirmation that any surgical procedures are medically necessary and usual treatment for the condition.

- For Involuntary Unemployment Cover claims, supporting evidence of the involuntary nature of unemployment will be required:
 - Evidence to our satisfaction that you are residing in Australia and actively looking for work on an ongoing basis whilst eligible for this benefit.
 - A copy of your Centrelink or recruitment agency form approved by us which confirms you have registered to find employment. Please note that you do not need to be receiving Centrelink Benefits to register to seek employment.
 - For employees – a Certified Copy of the Separation Certificate and written advice from the Life Insured's employer (on company letterhead and signed by the paymaster, company secretary, personnel manager, director or a person of similar senior standing in the firm) explaining the circumstances of the Life Insured's Involuntary Unemployment or the forced termination of his or her employment or contract.
 - For the Self-Employed - a Certified Copy of a notice confirming the Life Insured's personal insolvency issued by Australian Financial Security Authority (AFSA) or its successors or a Certified Copy of a court order or appointment of an insolvency administrator to the Life Insured's company.
- For both Sickness and Injury and Involuntary Unemployment claims, if applicable, proof of income for the last 12 months and/or last financial year.

Claim requirements at our expense

We reserve the right to obtain any additional information that we deem necessary. Should we request any further information in excess of the initial and progress requirements in order to assess your claim, these requirements will be met at our expense.

- Depending on the type of claim, you may be required to provide or participate in some or all of the following:
 - additional medical examination(s) which may involve imaging studies and clinical, histological and laboratory evidence to confirm the occurrence of the condition;
 - confirmatory assessment and diagnosis of current functional and vocational capacity by a qualified Medical Practitioner or an appropriately qualified person selected by us;
 - access to details of the Life Insured's previous medical consultations; and
 - interviews with various parties including you, in relation to your claim by a member of our staff or someone appointed by us, as often as is required.

Concurrent claims

If a Life Insured suffers multiple Sicknesses or Injuries and/or concurrent Involuntary Unemployment, we will only pay one Benefit under this Policy, that being the highest Benefit applicable to any one of the Sicknesses, Injuries, and Involuntary Unemployment.

Recurrent Sickness and Injury cover claims

If within 12 months of receiving a Sickness and Injury Cover Benefit, the Life Insured suffers from the same or related Sickness or Injury which caused the initial claim, the recurrence will be treated as a continuation of the original claim. This means that subject to the terms and conditions of the Policy:

- the Waiting Period does not apply;
- subject to ongoing evidence that the Life Insured is Out of Action, Benefit payments will recommence monthly in arrears;
- all periods of claim will be added together for the purpose of determining the remaining Payout Period; and
- the Benefit Period selected by you, as noted on your Policy Schedule, is only payable once per claimed condition, including any recurrences, and it expires when the end of the Benefit Period is reached.

Need to continually follow the advice of a Medical Practitioner

Sickness and Injury claim payments will be contingent on the Life Insured being under the regular care of and following the advice of a Medical Practitioner, including recommended courses of treatment and rehabilitation.

Fraudulent claims

We will refer any suspected fraudulent claims or illegal activity to the relevant law enforcement authorities and will, to the extent permissible by law, seek to recover any monies paid, expenses or damages incurred in obtaining such evidence as may be required to protect our rights. We are able to cancel your Policy if you make a fraudulent claim.

Payment of claims

We will pay your claim once we have received proof acceptable to us of your entitlement to be paid under this Policy.

If, while Out of Action, a Life Insured, under the regular care of and following the advice of a Medical Practitioner, travels to or resides overseas, Benefit payments will only be made for a maximum of three months while the Life Insured remains outside Australia.

For a Life Insurance claim, you can nominate one or more beneficiaries over the age of 18 to receive the claim payout if you were to pass away. See Nominated Benefit Recipient on page 19 for more details. Once the claim is approved we will offer a \$10,000 advance payout of the Benefit Amount to assist with any expenses that may need to be paid to help finalise the estate. Claims are payable in Australian currency to an Australian bank account unless we agree otherwise.

Misstatement of age

If the age of the Life Insured has been understated on the application for this Policy, then the Benefit payable in respect of a Life Insured will be recalculated based on the Benefit that the Premium would have purchased if the correct age had been provided. If the age of the Life Insured has been overstated we will refund any excess Premium paid. Where the terms and conditions of a Benefit vary by the age of the Life Insured or the Insured Child, the correct age of the Life Insured or the Insured Child, if applicable, will be used to determine whether a Benefit is payable.

We may also vary the end date of the Policy to the date on which it would have ended had the correct date of birth been provided by the Life Insured.

Duty of disclosure

Claims may be declined in full or in part and the Policy may be avoided in full or in part where a Life Insured fails to comply with the Duty of disclosure, as stated on page 33, or makes a misrepresentation while applying for Cover or any alteration in Cover.

4. Other things you need to know



nib Premium Protection (nib Value Life Insurance customers only)

With your nib Value Life Insurance policy you'll automatically receive nib Premium Protection, an exclusive advantage for nib customers. This means that we'll reimburse your nib health cover and waive your Premium costs for up to six months if you're Seriously Incapacitated from an Accident. See below for more information.

This Benefit is:

- payable for periods of continuous incapacity that last longer than 30 days immediately following the Accidental Injury
- valued at your monthly Premium cost at the date of the Injury, for a period of up to six months
- payable by us monthly in arrears
- only payable if your Policy is in force and your Premium payments are up to date
- not payable once you are no longer seriously incapacitated
- only payable once, even if you hold multiple policies
- only payable if you are under the care of, and following the advice of, a registered Medical Practitioner, who must provide ongoing certification to us of your continued inability to perform two or more Regular Daily Activities (see the definition on page 39), as a direct result of the Accidental Injury.

We will not pay the nib Premium Protection Benefit if you are seriously incapacitated as a result of:

- an Accidental Injury that occurred before we accepted you to be covered by the Policy
- any intentionally self-inflicted act
- your participation in any criminal or unlawful activity
- you being under the influence of alcohol or any drug not prescribed by a Medical Practitioner
- your participation in any form of aviation other than as a fare-paying passenger on a commercial airline
- your participation in any activity at a height of 20 metres or more above ground, at a depth of 30 metres or more below ground or underwater, or at a speed more than 130 km per hour
- willingly and knowingly exposing yourself to risk of Injury for gain, reward or regular payment.

Other conditions or exclusions may also apply to you. If they do, they will be set out in your Policy Schedule.

Inflation protection

Your insurance is indexed to make sure it keeps pace with inflation. On each Policy Anniversary, we automatically increase your Cover amount and your Premium. We continue to increase your Cover until the final Policy Anniversary before you turn 70 for Value Life Insurance only.

How much does your Cover increase:

Each year, we increase your Cover by:

- **nib Income Protection:** either the Indexation Factor or 3%, whichever is greater.
- **nib Value Life Insurance:** either the Indexation Factor or 5%, whichever is greater.

We stop indexing your Cover when it reaches the maximum for each type of Benefit:

Benefit	Maximum amount after indexation
nib Income Protection: Sickness and Injury Cover	\$15,000 a month
nib Income Protection: Involuntary Unemployment Cover	\$6,000 a month
nib Income Protection: Permanent Disability Cover	\$750,000
nib Value Life Insurance	\$2,500,000

We do not index your Income Protection Policy while you are being paid a Benefit.

Stopping indexation

If you'd prefer not to include the Inflation Protection Benefit in your Cover, please notify us in writing within 30 days of receiving your annual anniversary letter. If you ask us not to index the Benefit amount for three years in a row, we'll stop indexing your Policy altogether in future.

Other increases to your Cover

If you apply to increase your Cover beyond any automatic indexation increases, we may ask you to give us more information before we can accept the increase. Any increase in Cover (except indexation increases) will not come into force until we confirm the change in writing. Your Premium will increase in line with any increase in your Benefit Amount.

Your Policy

Your Policy sets out your insurance Benefits based on your application and the declaration made by you and each insured person. It is made up of:

- this document, which contains the terms and conditions of your Policy and explains how the Benefits work;
- the Policy Schedule, which sets out the details of each person insured by the Policy, the Benefit Amount, the total amount payable as your first Premium and the Premium Payment frequency.

Legal interpretation

The Policy is subject to, and governed by, the laws of the state or territory in which it is registered.

Headings are only for convenience. Apart from the definitions in the Glossary, headings do not affect the interpretation of the words of the Policy.

30-day cooling-off period

Be sure to carefully check all of the terms and conditions of the Policy to make sure it meets your needs. Once you apply and we send you your Policy Schedule, please check that all details are correct.

If for any reason you change your mind about the Policy, you can cancel it within 30 days of receiving your Policy Schedule. We'll give you a full refund for any Premiums you've paid, unless a Benefit has already been paid out under the Policy.

Insuring more than one person

If more than one person is covered by your Policy, references to 'you' or 'your' mean each individual insured person.

If you wish to add someone else to your Policy and we accept your request, a new Policy Schedule will be sent to you listing each person covered by the Policy. The 30-day cooling off period only applies once, when you first receive your Policy Schedule. No further cooling-off periods apply if you add anyone else to your Policy.

24-hour worldwide cover

Your Policy gives you worldwide insurance cover, 24 hours a day, 7 days a week. This is subject to any other exclusions or conditions of the policy.

Statutory fund

The assets of TAL's Statutory Fund Number 1 will be liable for the payment of all Benefits under this Policy (except for Involuntary Unemployment Cover for which St Andrew's is liable). You have no rights to the assets of St Andrew's, TAL, or any TAL Statutory Fund.

Financial Claims Scheme

The Involuntary Unemployment Cover is a "protected policy" for the purposes of the Financial Claims Scheme (FCS) which is administered by the Australian Prudential Regulation Authority (APRA). If you are entitled to claim under that cover, you may be entitled to payment under the FCS. Access to the FCS is subject to eligibility criteria. Information about the FCS can be obtained from the APRA website at www.apra.gov.au and the APRA hotline on 1300 55 88 49.

Cash value

This Policy is not an investment policy. We use the Premium you pay to provide insurance for each person covered under your Policy. You do not receive any money if you simply terminate the Policy after the 30-day cooling off period.

Government duties

We reserve the right to charge you for any government duties, taxes or other charges that relate to your Policy, Premium or Benefits. We also reserve the right to increase the cost of your Premium if our costs increase due to any such duties, taxes or charges.

Currency

All payments in connection with your Policy must be made in Australian dollars.

Your Premium

How much will you need to pay?

Your Policy Schedule explains the cost and frequency of your Premium payments. This cost will include any compulsory government charges (such as Stamp Duty) where they apply, as well as any other additional charges you may have to pay.

Premiums can be paid fortnightly, monthly, quarterly or annually on the day of the week of your choice by either:

- direct debit from a bank account, or
- credit card (MasterCard or Visa).

The cost of your Premium may change from year to year. It is calculated from our standard Premium rates and takes into account:

- the age of each person insured under the Policy, as our standard Premium rates usually increase with age
- any change to the Benefit amount (for example, from indexation increases)
- any change to the type of Cover (for example, from Basics cover to nib Income Protection cover)
- any new Benefits you add (for example, adding the Permanent Disability Cover option to nib Income Protection cover)
- any change from annual to monthly or fortnightly Premium payments (in which case the annual discount will no longer apply)
- any change in the standard Premium rates (if, for example, there are changes to government charges).

We will let you know your Premium cost each year in a letter sent on the anniversary of the day your Policy started.

Once your Policy starts, your Premiums will only increase in line with general increases affecting all policy holders with the same Premium rate table. If there is any change to the standard rates, we'll let you know in writing at least 30 days before the change comes into effect.

A copy of the standard Premium rates is available on request.

When do you need to pay your Premium?

You must pay your Premium by the due date shown in your Policy Schedule. If you pay by direct debit, we'll deduct your Premium from the account you have authorised us to debit. The deduction will be made on or around the due date, depending on weekends and public holidays.

You can let us know you want to change the frequency of your Premium payments at any time.

For nib Income Protection policies, we'll waive the Premium while you are Out Of Action or Involuntarily Unemployed and we're paying you a Benefit. If you've paid a Premium while you're Out of Action or involuntarily unemployed, the payment will be credited towards the next Premium due after the end of the benefit period.

What happens if you don't pay your Premium?

If the unpaid Premium is your first Premium payment: The Policy will not operate at all if you don't pay your Premium by the due date or, in the case of direct debit, if we are unable to deduct the Premium from your account.

For your second and later Premium payments: We'll allow you 30 days from the due date to make a payment. If we haven't received the payment by then, we'll send you a notice explaining that we will cancel your policy if the overdue Premium is not paid by the date specified. This date will be at least 28 days from the date of the notice.

If you don't pay the Premium by the date specified, we'll cancel the policy and your insurance cover will cease.

What happens if your Policy is cancelled?

nib Income Protection

No Benefits will be paid if the policy is cancelled.

nib Value Life Insurance

No Benefits will be paid if your Policy is cancelled. However, if a Benefit is payable after the date the Premium is due but before we cancel the Policy, we'll pay the Benefit in accordance with the Policy terms after deducting any outstanding Premiums.

If your nib Value Life Insurance policy is cancelled, you may apply to have it reinstated at any time within six months after the due date of the unpaid Premium. If you do this, we may require updated information about the health, occupation and lifestyle of each person covered by the Policy. We can refuse to reinstate the policy or we may offer to reinstate it on special terms.

Tax

You should seek specialist, independent advice about the tax consequences of taking out these products. In general:

- Premiums paid for nib Income Protection, Basics cover or Involuntary Unemployment Cover are usually tax deductible, and any Benefits received are taxable.
- Premiums paid for optional Permanent Disability Cover are not tax deductible, and Benefits are tax free. This may vary if insurance is purchased for business purposes, so it's important to seek professional taxation advice.
- Premiums paid for nib Value Life Insurance are not tax deductible, and any Benefit received is tax free.

This general information is based on current tax laws, their continuation and their interpretation. We reserve the right to make changes to the Policy and Premium rates in response to any taxation or other legal changes.

Risks

There are risks involved with taking out insurance that you should be aware of. For example:

- You may not select the right insurance product and cover level for your needs.
- It is possible to pay more in Premiums than your cover amount.
- If you are replacing another insurance contract, different terms and conditions may apply. You should consider the terms and conditions of each contract before deciding to make the change.
- These products do not have a savings or investment component, which means that if you cancel your Policy after the 30-day cooling-off period, you won't receive any money back.

You should consider if the Policy meets your needs, both now and in the future. You may need to consult a financial adviser to help you decide if these products match your objectives, financial situation and needs.

Privacy

Personal and sensitive information is collected from you or about you to enable TAL, nib and St Andrew's to provide our insurance products or services to you. Further information may be requested from you at a later time, such as if you want to make alterations to your insurance Policy or at claim time when we may need to collect financial and health information about you to process the claim.

We rely on the accuracy of the information you provide. If you think that we hold information about you that is incorrect, please let us know using the communication methods below. The way in which we collect, use and disclose your personal information is set out in our respective privacy policies which are available on request or at:

www.tal.com.au

www.nib.com.au

www.standrews.com.au

The privacy policies contain details about the following:

- the kinds of personal information that may be collected and held;
- how that personal information may be collected and held;
- the purposes for which that personal information may be collected, held and used;
- circumstances in which that personal information may be disclosed;
- how customers may access personal information about them which is held and how they can correct that information; and
- how complaints will be dealt with that customers may have regarding privacy issues.

If you do not supply the required information to us we may not be able to provide our products and services to you or pay your claim

In processing and administering your insurance (including at the time of claim) your personal information may be disclosed to TAL, nib and St Andrew's and any relevant bodies corporate including the following third parties, where necessary:

- your employer, general practitioners or health professionals to verify any health information you may provide;
- your (or your employer's if relevant) financial advisor;
- other related entities or partner organisations including companies based overseas (further details of those countries are set out in the respective privacy policies of TAL, nib and St Andrew's);
- organisations to whom we outsource our mailing, administration and information technology;
- Government and regulatory agencies if required or if authorised to do so, or any person acting on your behalf such as a lawyer or accountant.

Contacting us about privacy matters

If you have any questions regarding privacy related matters, about how we manage your information or a complaint relating to privacy please contact us using the contact details below:

Privacy Manager

nib

PO Box 72

Carlton South, VIC 3053

Additional information about Privacy issues

The website of the Privacy Commissioner which is available at <http://www.oaic.gov.au/> is a useful source of additional information about both the privacy rights of individuals and the privacy laws imposed on organisations such as ours. This website also contains sensible steps that individuals can take to protect their information when dealing with organisations and when using modern technology. We take no responsibility for the contents of this Government run website.

Direct marketing and opt out

Personal information is shared between the organisations which provide these insurance products. From time to time we may use your personal information for the purpose of marketing our products and services, together with the products and services of third parties that we think may be of interest to you. We may do this via written communication, electronic means or by telephone. If you do not want us to use or disclose your personal information for these marketing purposes, or if you don't want to receive marketing communications or prefer to receive calls at certain times or days, please contact us by calling 1800 633 170 or write to nib, Reply Paid 72, Carlton South, Vic 3053 (no postage required).

Contact from us

From time to time we may contact you by telephone about your Policy. If you do not want to receive calls from us at all, or would prefer to receive calls at certain times or days, please contact us by calling 1800 633 170 or write to nib Reply Paid 72 Carlton South, VIC 3053.

Disclosure of information

Generally we do not use or disclose any customer information for a purpose other than providing our products and services unless:

- our customer consents to the use or disclosure of the customer information; or
- the use or disclosure is required or authorised under an Australian law or a court/tribunal order; or
- the use or disclosure of the information is reasonably necessary for one or more enforcement related activities conducted by, or on behalf of, an enforcement body e.g. the police.

Duty of disclosure

Before you enter into a contract of insurance, you have a duty to tell us anything that you know, or could reasonably be expected to know, that may affect our decision to provide the insurance and on what terms.

You have this duty until we agree to provide the insurance.

You have the same duty if you renew, extend, vary or reinstate the contract.

You do not need to tell us anything that:

- reduces the risk we insure; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive the duty to tell us about.

If you do not tell us something – Involuntary Unemployment Cover

For Involuntary Unemployment Cover, if you do not tell us anything you are required to, we may cancel the contract or reduce the amount we will pay if a claim is made, or both.

If the failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

If you do not tell us something – All other types of cover

For all other types of cover, in exercising the following rights, we may consider whether different types of cover can constitute separate contracts of insurance. If they do, we may apply the following rights separately to each type of cover.

If you do not tell us anything that you are required to, and we would not have provided the insurance if you had told us, we may avoid the contract within 3 years of entering into it.

If we choose not to avoid the contract, we may, at any time, reduce the amount of insurance provided. This would be worked out using a formula that takes into account the premium that would have been payable if you had told us everything you should have. However, if the contract has a surrender value, or provides cover on death, we may only exercise this right within 3 years of entering into the contract.

If we choose not to avoid the contract or reduce the amount of insurance provided, we may, at any time vary the contract in a way that places us in the same position we would have been in if you had told us everything you should have. However, this right does not apply if the contract has a surrender value or provides cover on death.

If the failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Complaints

If you're unhappy with any aspect of our Policy or our service, we'd like to hear from you. We'll do our best to answer your questions and fix any problems you may have.

To make a complaint:



contact us on **1800 633 170**



email **nibinsurance@nib.com.au**



write to:

Complaints Manager

nib

PO Box 72

Carlton South, VIC 3053

We rely on the accuracy of the information you provide. If you think that we hold information about you that is incorrect, please let us know using the communication methods above.

If you're not satisfied with the response, you may then contact the Financial Ombudsman Service which is an independent complaints resolution body on 1800 367 287 or by writing to:

Financial Ombudsman Service

GPO Box 3

Melbourne VIC 3001

The service provided by the FOS is free. Different terms of reference are applied by the FOS depending on whether your complaint relates to a life insurance product or a general insurance product.

Please refer to the FOS for details. For more information about this service, visit fos.org.au

5. Glossary

Accident	An event where Injury is caused directly and solely by accidental, violent, external and visible means.
Accidental Injury	An injury caused by an unforeseeable, violent and sudden event that results in visible physical injury and serious incapacity that is independent of any other cause, as confirmed by a registered Medical Practitioner.
Advanced Payment	An initial payment to nominated beneficiaries to cover immediate expenses if a Life Insured passes away.
Australian Resident	An Australian or New Zealand citizen or Australian permanent resident, currently residing in Australia who has received the PDS in Australia.
Back Injury	Any injury of the spine, including its intervertebral discs, nerve roots or supporting musculature or any complications thereof.
Benefit	Is the Benefit Amount payable to you upon acceptance of a valid claim for the respective Cover type on your Policy.
Benefit Amount	The amount payable on this Policy, subject to any changes shown in the Policy Schedule.
Cancer	The presence of one or more malignant tumours. The malignant tumour is to be characterised by the uncontrollable growth and spread of malignant cells and the invasion and destruction of normal tissue.
Certified Copy	A copy of an original document that has been certified as a true and correct copy by a person who is authorised under the Commonwealth Statutory Declarations Act 1959 to witness a statutory declaration.
Cover	The Cover you have nominated and which we have accepted in writing. The Cover we have accepted will be shown on your Policy Schedule.
Cover Start Date	The date a Cover was added to your Policy.
Football	Training, practicing or playing any code of Football including but not limited to soccer, AFL, NRL, rugby union, gridiron or Gaelic football, either professionally or for recreation.
Heart Attack (myocardial infarction)	The death of a portion of heart muscle as a result of inadequate blood supply to the relevant area. The basis of diagnosis will be: <ul style="list-style-type: none">• confirmatory new electrocardiogram (ECG) changes, and• a diagnostic rise and fall (other than as a result of cardiac or coronary intervention) in either Troponin I in excess of 2.0µ/L or Troponin T in excess of 0.6µg/L or cardiac enzyme CK-MB.

Immediate Family Member	A spouse, partner (including a same-sex partner), de facto partner, child, parent and/or sibling of a Life Insured or Policy Owner.
Indexation Factor	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 successors in respect of the twelve-month period ending 30 September each year. If a Consumer Price Index is not published, we will select another similar indication of inflation.
Injury	An accidental bodily Injury suffered by the Life Insured after the Cover Start Date or in the case of an increase to a Benefit, after the start of the increase. The Injury must be caused directly and solely by an Accident.
Involuntarily Unemployed or Involuntary Unemployment	Where the Life Insured is: <ul style="list-style-type: none"> ■ entirely without gainful employment; and ■ is actively seeking work; and ■ for a Life Insured who was a permanent employee working a minimum of 30 hours per week, the Life Insured has been made involuntarily redundant or has been involuntarily dismissed from employment through no fault nor choice of his or her own but solely because an employer has unexpectedly terminated the Life Insured's employment; or ■ for a Life Insured who is Self-Employed, the Life Insured's business or the Life Insured has been placed into any form of insolvency or bankruptcy administration, except where this is due to personal debts.
Life Insured	A person whom TAL has agreed in writing to insure under this Policy and who is named in the Policy Schedule.
Medical Practitioner	A person who is registered as a Medical Practitioner in Australia, other than: <ul style="list-style-type: none"> ■ you or the Life Insured ■ a business partner of you or the Life Insured ■ an Immediate Family Member of you or the Life Insured. <p>If practising other than in Australia, the Medical Practitioner must be approved by us and have qualifications equivalent to Australian standards. Chiropractors, physiotherapists and alternative therapy providers are not considered Medical Practitioners unless also registered to practise medicine in Australia.</p>

Monthly Income	<p>The gross Monthly Income (before tax is deducted) earned by the Life Insured. It is calculated by working out a monthly average from the total gross income earned by the Life Insured through personal exertion in the last 12 months prior to the accident or illness or Involuntary Unemployment (whichever is applicable). We may accept the monthly average from the last tax year prior to claim if proof of the prior 12 months income is not available.</p> <p>Gross income earned includes (but is not limited to) regular earned commissions, regular bonuses, regular overtime payments, superannuation and any other packaged fringe benefits (such as a motor vehicle), and any share of income of a business if Self-Employed (after deduction of business expenses). Gross income does not include business expenses incurred in earning any of that income (for example, tax deductible business expenses), investment income and trail commissions.</p>
Nominated Beneficiary	Who you choose to receive your life insurance Benefit if you die. If you nominate more than one beneficiary, you can decide how much of the Benefit will be paid to each of them.
Out of Action	<p>Where the Life Insured is either:</p> <ul style="list-style-type: none"> ■ between 18 and 64 years of age and solely as a result of Sickness or Injury as diagnosed by a Medical Practitioner and on his/her advice and in our opinion is: <ul style="list-style-type: none"> • unable to attend or engage in his or her Usual Occupation or, if not employed or working less than 20 hours per week, unable to perform Regular Daily Activities without the assistance of another person or using special equipment; • not working in or performing any occupation, whether income generating or not; and • under the regular care of and following the advice of a Medical Practitioner, including recommended courses of treatment; ■ between 65 and 75 years of age and solely as a result of Sickness or Injury as diagnosed by a Medical Practitioner and on his or her advice and in our opinion: <ul style="list-style-type: none"> • unable to perform two or more 'Regular Daily Activities' without the assistance of another person or using special equipment; • not working in or performing any occupation, whether income generating or not; and • under the regular care of and following the advice of a Medical Practitioner, including recommended courses of treatment.

Payout Period or Benefit Period	The maximum period for which a Benefit is payable, as shown in your Policy Schedule.
Permanent Disability or Permanently Disabled	Where the Life Insured is aged between 18 and 75 years of age and solely as a result of Sickness or Injury, as diagnosed by a Medical Practitioner, has not worked in or performed any occupation, income generating or not, for six consecutive months; and in our opinion after considering medical and any other evidence, is incapacitated to such an extent as to render the Life Insured unlikely to be ever able to perform, two or more of the following activities without the physical assistance of another person: <ul style="list-style-type: none"> ■ bathing—the ability to shower and bathe ■ dressing—the ability to put on and take off clothing ■ toileting—the ability to get on and off and use the toilet ■ mobility—the ability to get in and out of bed and a chair ■ feeding—the ability to get food from a plate into your mouth.
Policy	The legal contract between the Policy Owner(s) and us. This document, the application, the personal statements, the Policy Schedule and any special conditions or endorsements make up the Policy.
Policy Anniversary	Each anniversary of the Policy Start Date.
Policy Start Date	The date the Policy starts, as shown in the Policy Schedule.
Policy Owner(s)	The person or persons shown in the Policy Schedule to whom the Policy has been issued.
Policy Schedule	The document containing details of the Policy Owner(s) and the Life/Lives Insured under this Policy. We will update the Policy Schedule as a result of: <ul style="list-style-type: none"> ■ any changes you make to your Policy and agreed to by us ■ any changes we make in accordance with these Policy conditions, such as indexation and Premium rate changes.

Pre-existing Medical Condition	Any Sickness, Injury or Medical Condition that the Life Insured had or had symptoms of at any time in the five years prior to the Policy and/or Cover Start Date or a Benefit in respect of the increased amount, whether diagnosed or not, for which the Life Insured sought treatment or advice, or of which the Life Insured was aware, or of which a reasonable person in his or her position should have been aware. The following are also deemed to be Pre-existing Medical Conditions for any stroke, haemorrhage or heart-related event in respect of the Life Insured if it occurred in the five years prior to the Policy and/or Cover Start Date or a Benefit increase made, in respect of the increased amount: <ul style="list-style-type: none"> ■ Body Mass Index of 40 or higher ■ systolic blood pressure having exceeded 160 mmHg and diastolic blood pressure having exceeded 100 mmHg ■ total blood cholesterol having exceeded 7.0 mmol/L ■ being a diabetic with any one of the following: proteinuria, kidney disease, retinopathy, neuropathy or admittance to hospital for treatment of diabetes.
Premium	The cost you pay to be covered by the Policy.
Regular Daily Activities	1. For a Life Insured between 18 and 64 years of age, the regular and everyday activities performed by a Life Insured who is not employed or who is working less than 20 hours a week immediately prior to being Out of Action. To receive a Benefit, the Life Insured must as a result of being Out of Action be substantially and reasonably unable to perform three or more of the following Regular Daily Activities without the assistance of another person or with reasonable modifications: <ul style="list-style-type: none"> ■ cooking meals – using kitchen and cooking utensils, appliances and equipment to prepare a basic meal for oneself and/or others ■ cleaning the home – using domestic appliances and equipment to clean and maintain a home and do laundry to basic standards ■ shopping for food – the physical ability to purchase every day household grocery items, with the use of a shopping basket or trolley ■ providing care for children and/or dependent adults, if applicable ■ driving a car or using public transport – the physical ability to drive a car for any distance, or catch a bus, train or ferry.

Regular Daily Activities (continued)	<p>2. For a Life Insured between 65 and 75 years of age, Regular Daily Activities mean everyday activities performed to maintain physical independence. To receive a Benefit the Life Insured must, as a result of being Out of Action, be substantially and reasonably unable to perform two or more of the following Regular Daily Activities without the assistance of another person:</p> <ul style="list-style-type: none"> ■ bathing – the ability to shower or bathe ■ dressing – the ability to put on and take off clothing ■ toileting – the ability to get on and off and use a toilet ■ mobility – the ability to get in and out of bed and a chair ■ feeding – the ability to get food from a plate into your mouth.
Self-Employed	A Life Insured (or an Immediate Family Member of the Life Insured) who is a business owner, sole trader, an employee of their own company or trust, or is in a partnership.
Serious Incapacity, Seriously Incapacitated	<p>Solely and directly as a result of an Accidental Injury, the Life Insured is for 30 consecutive days unable to perform at least two of the following regular activities without the physical assistance of another person:</p> <ul style="list-style-type: none"> ■ bathing - the ability to shower and bathe ■ dressing - the ability to put on and take off clothing ■ toileting - the ability to get on and off, and use, the toilet ■ mobility - the ability to get in and out of bed and a chair ■ feeding - the ability to get food from a plate into your mouth.
Sickness	An illness or disease that first manifests itself or is first suffered by the Life Insured after the Cover Start Date or in the case of an increase to a Benefit, after the start of the increase, and which is diagnosed by a Medical Practitioner.
Stroke	A cerebrovascular event producing neurological deficit. This requires clear evidence on a CT, MRI or similar appropriate scan or investigation that a stroke has occurred and of infarction of brain tissue, intracranial and/or subarachnoid haemorrhage.
Terminal Illness	An illness or condition where, after having regard to the current treatment or such treatment as the Life Insured may reasonably be expected to receive, the Life Insured is unlikely to survive more than 12 months as confirmed by a registered Medical Practitioner approved by us.
Underwriting	The process we use to assess the eligibility of a Life Insured to receive cover.

Usual Occupation	<ul style="list-style-type: none"> ■ The occupation in which the Life Insured was engaged for 20 or more hours a week immediately prior to being Out of Action and for which regular remuneration was received; or ■ the occupation in which the Life Insured was engaged for 30 or more hours a week immediately prior to being Involuntarily Unemployed and for which regular remuneration was received; or ■ any occupation for which the Life Insured is suited by reason of his or her education, training and/or experience.
Waiting Period	The continuous period of Out of Action time or, if applicable, Involuntary Unemployment, or Permanent Disability time that must elapse before a Benefit starts to accrue and/or become payable in respect of a Life Insured. The Waiting Period is shown in your Policy Schedule. It starts on the date a Medical Practitioner first certifies the Life Insured as being Out of Action, or the date of the Life Insured's Involuntary Unemployment or Permanent Disability, as appropriate. No Benefits are payable during the Waiting Period.
We/Us/Our	TAL (ABN 70 050 109 450 AFSL 237848), TAL Direct Pty Ltd (ABN 39 084 666 017 AFSL 243260) and St Andrew's Insurance (Australia) Pty Ltd (ABN 89 075 044 656 AFSL 239649).
You/Your	The Policy Owner or the representative of the Policy Owner.

6. Financial Services Guide

Purpose of this Financial Services Guide

This Financial Services Guide (FSG) is provided by TAL Direct Pty Limited ABN 39 084 666 017 (“TAL Direct”). TAL Direct holds an Australian Financial Services Licence 243260 and is related to the insurer TAL Life Limited ABN 70 050 109 450 (“TAL Life”). TAL Direct and TAL Life are part of the TAL Dai-ichi Life Australia Pty Limited ABN 97 150 070 483 group of companies (“TAL”). TAL Direct is responsible for the content of this FSG and has authorised its distribution. For the purpose of this FSG references to we, us and our mean TAL Direct.

Our Services

TAL Direct is authorised under its Australian Financial Services Licence to:

- Provide financial product advice about life risk and superannuation products to retail clients;
- Provide general advice only in relation to general insurance products to retail clients;
- Deal in life and general insurance products to retail clients; and
- Arrange superannuation products to retail clients.

nib health care services pty ltd “nib” has been appointed an authorised representative of TAL (authorised representative number 321683) and has been authorised to provide the general advice that appears in its advertising and marketing material.

Our representatives

A number of trained representatives have been appointed by the licensee from TAL to provide a financial service over the telephone. When you are referred by nib and speak to a representative, that person represents TAL Direct. TAL Direct representatives are only authorised to provide general advice and deal in life risk and general insurance products.

When our representatives provide financial product advice, arrange for the insurer to issue policies or renew policies they are acting for TAL Direct. TAL Direct is also authorised to issue and administer policies and pay claims on behalf of certain insurers under an arrangement called a “binder”. These insurers are; for life cover, TAL Life Limited and for Involuntary Unemployment Cover, St Andrew’s Insurance (Australia) Pty Ltd, ABN 89 075 044 656 AFSL 239649 (St Andrew’s). When TAL Direct does this we will tell you and, in these circumstances, TAL Direct is also acting for the insurer.

The Insurer’s registered address is:

TAL Life Limited
Level 16, 363 George Street
Sydney NSW 2000

TAL Direct’s address is:
Level 16, 363 George Street
Sydney NSW 2000

St Andrew’s address is:
Level 6, 100 Skyring Terrace,
Newstead QLD 4006

The PDS is prepared by TAL Life and is designed to give you important information on the features, Benefits and risks of the Policy to help you make an informed decision about whether to buy it or not.

You can read the PDS prior to receiving a call from a TAL Direct representative or, if you like, you can ask the representative to read it to you.

General advice warning

It is important that you are aware any advice you receive is general advice only (not personal advice) and has been provided without taking into account your objectives, financial situation or needs. Before acting on the advice, you should consider this document carefully before deciding whether or not to acquire a product.

Remuneration

When you buy a nib Income Protection or nib Life Insurance Policy, the premium is paid to the insurer. nib employees who provide you with information about nib life insurance policies over the telephone are paid an annual salary, including bonuses based on performance criteria. When you speak to a nib staff member they may also receive incentives or prizes for referring customers to TAL. nib may also receive a one off referral fee from TAL for referring you to TAL Direct.

Whenever you acquire a nib life insurance or income protection product, nib receives a commission from TAL of up to 25% of each Premium you pay (inclusive of all government taxes and charges). When a financial service is provided by a TAL representative that representative is paid an annual salary, including bonuses based on performance criteria. If we provide you with a financial service you are entitled to request details of this remuneration, and may do so by contacting us on the number specified in this FSG. When Involuntary Unemployment Cover is selected St Andrew’s may pay

TAL a commission of up to 35% of the involuntary unemployment component of each premium paid. Currently GST of 10% is applied to amounts paid to TAL.

Please note that these costs and commissions are not additional charges to you. In addition to paying referral fees, TAL may from time to time give other non-cash benefits to referral partners.

Professional indemnity insurance

TAL retains professional indemnity (PI) insurance to cover the activities of all licensees within TAL, including TAL Direct. This cover:

- is maintained in accordance with the law
- is subject to its terms and conditions
- provides indemnity up to the sum insured for the activities of the representatives of TAL Direct in respect of the financial services authorised under TAL Direct's Australian Financial Services Licence.

Dispute Resolution Process

TAL Direct offers a dispute resolution service for any concerns you may have about your nib Life Insurance or Income Protection Policy, our services or your privacy. In the first instance, we hope that our representatives can resolve your concerns. If you have a complaint please call us on **1800 633 170**, email nibinsurance@nib.com.au

or write to:

Complaints Manager
Reply Paid 72
Carlton South, VIC 3053

If you are not satisfied with our response, you may then contact Financial Ombudsman Service (FOS). You can write to FOS at GPO Box 3, Melbourne VIC 3001 or call them on 1800 367 287. For more information go to www.fos.org.au.

This is a free service.

Important Information

Neither nib nor any of its employees, agents or other representatives guarantee, accept liability or are otherwise responsible for nib life insurance or general insurance products or guarantee or accept any liability or responsibility for the performance or acts or omissions of TAL Direct or the insurers.

How to contact us

 nib, PO Box 72, Carlton South VIC 3053

 **1800 633 170**

 email us: nibinsurance@nib.com.au

web: nib.com.au/incomeprotection
nib.com.au/lifeinsurance

Promoter

nib health care service pty ltd ABN 91 003 037 625,
22 Honeysuckle Drive, Newcastle NSW 2300
Authorised Representative Number 321683 of TAL Direct

Distributor

TAL Direct Pty Limited
363 George Street, Sydney NSW 2000

Issuers

TAL Life Limited
363 George Street, Sydney NSW 2000

St Andrew's Insurance (Australia) Pty Ltd
PO Box 7395, Cloisters Square WA 6850