

Short form product disclosure statement



**NO
APPLICATION
FORM**

Please note, this document does not contain an application form.

Loan Repayment Protection

Convenient risk protection for your loan

About the Insurers

Loan Repayment Protection consists of two separate components, being life insurance and general insurance. The insurer of the life insurance component (crisis benefit and the optional death and terminal illness benefit) is MetLife Insurance Limited (ABN 75 004 274 882) (AFSL 238 096) (“MetLife”). The insurer of the general insurance component (unemployment benefit) is ACE Insurance Limited (ABN 23 001 642 020) (AFSL 239 687) (“ACE”). It is these companies that are responsible to you as their customer for meeting the terms and conditions of the policy, including the payment of benefits.

Throughout this document these insurers are referred to as “we” or “us” (with the reference being to either or both insurers as is applicable to the context and the benefit being referred to).

MetLife

MetLife Insurance Limited (MetLife), an affiliate of MetLife, Inc., is a specialist provider of life insurance to affinity partners, superannuation trustees and employers in Australia. MetLife has expertise in designing and executing both direct insurance programs for partners’ customers and insurance solutions to meet the needs of specific member groups. MetLife has been a specialist provider of life risk insurance products in Australia, since 2005. MetLife, Inc., through its affiliates (collectively the “MetLife Companies”), operates in the Asia Pacific, Americas and Europe and has over 140 years of experience.

ACE

ACE is part of the ACE Group of Companies, one of the global leaders in insurance and reinsurance serving a diverse group of clients. Headed by ACE Limited, the ACE Group conducts its business on a worldwide basis with operating subsidiaries in more than 50 countries and the authority to do business in 140 jurisdictions.

About ALI Group

Loan Repayment Protection is distributed by Australian Life Insurance Distribution Pty Ltd (ABN 31 103 157 811) (AFSL 226 403) and may be offered to you by your loan consultant as their authorised representative or by ALI Group representatives directly.

ALI Group is a specialist risk insurance business that is committed to providing people with convenient and timely access to loan protection. For the customers of their affiliated loan consultants this is usually when they are buying a home or investment property.

ALI Group is focused on providing quality products with a simple, understandable offer that allows customers to make an informed decision on their need for protection. **In doing this, neither ALI Group’s representatives or your loan consultant will provide you with advice in respect of the product or your insurance needs.**

Loan Repayment Protection

Protection for your loan

Loan Repayment Protection is designed to provide you with financial assistance where you have suffered a serious illness or injury that is likely to prevent you from making your loan repayments for a period of time.

Loan Repayment Protection also provides cover for involuntary unemployment occurring in the first year of cover and you can choose to take additional death and terminal illness cover as an optional benefit if you want to extend your protection.

The benefit payments can be used for any purpose including assisting with your loan repayments or reducing your loan balance.

Cover for 52 serious medical conditions

The crisis benefit provides protection for 52 crisis events, including cancer, heart attack, stroke, liver failure, blindness and death.

Crisis benefits range from 6 to 36 of your monthly loan repayments with the amount of the benefit dependent upon the type of crisis event claimed. The unique structure of this benefit means that (provided your policy continues to provide cover for this benefit), this cover will remain available until the all 36 monthly benefits provided by the crisis benefit are fully paid.

Cover for unemployment when you need it most

Unemployment cover can be very expensive and its relevance to you may vary considerably throughout the different stages of your working life. Consistent with our commitment to providing cover that is designed specifically for the needs of borrowers, Loan Repayment Protection contains protection for involuntary unemployment occurring during the first year of your cover.

Cover even extends to self employed and persons on fixed term contracts.

Additional peace of mind at a time when meeting your loan commitment is a priority.

Time to consider what's right for you - one month complimentary cover

A feature of Loan Repayment Protection is that the first month of cover is **absolutely free**. This means that you can obtain protection now and then use this time to carefully consider your need for this cover before having to pay any premiums.

You can of course cancel your cover at anytime within the first month and it will not have cost you anything.

Simple to apply

Once you have decided you want to protect your loan all you need do is apply. It is a simple process that only takes 10 minutes and:

- there are no intrusive medical questions or medical examinations.
- you can obtain cover even where you have previously suffered from a serious illness or injury.
- you can adjust your level of cover to suit your needs and budget.

Want to know more about how existing conditions might affect your cover?

Our philosophy is to give virtually all borrowers access to protection without subjecting the cover to vague and unjustified exclusions.

Therefore the pre-existing exclusion that your cover will be subject to is not only limited but is targeted in a way that allows you to easily determine how it might apply to you (if at all). However, we understand that you may require absolute certainty about how an illness or injury that you have previously suffered from might affect your ability to claim.

To obtain this additional certainty, simply contact us in the first month of your cover and answer a series of simple health related questions. This will enable us to either totally remove any exclusion for pre-existing conditions that might have applied to your cover or otherwise specify exactly what existing conditions are excluded.

Another example of us making it easy for you to obtain quality loan protection.

Benefits

Crisis Benefit

A crisis benefit will be paid each time that the insured person suffers from one of the 52 crisis events covered, to a maximum of 36 monthly benefits over the duration of the cover. All crisis benefits are payable as a lump sum and are subject to any applicable exclusions and the operation of the benefit rules (see page 8).

We will only pay a crisis benefit where cover for this benefit remains in force at the date of the crisis event.

Available Benefit Months

The policy pays a maximum of 36 monthly benefits, this being equal to the amount of **available benefit months** at the commencement of the cover. After a benefit has been paid you will continue to be covered for subsequent crisis events until the 36 monthly benefits provided by the policy are fully exhausted at which time the cover will end.

Each time a benefit is paid the available benefit months are reduced by the number of monthly benefits which are paid for that crisis event.

Number of Monthly Benefits Payable for a Crisis Event

The crisis events have been classified as either Type 1, 2, 3 or 4, with the amount of the benefit payable for each being dependent upon that classification. The classification of each crisis event and the number of monthly benefits payable should that crisis event occur is set out on pages 6 and 7. Importantly, the number of monthly benefits payable for any crisis event will be limited to the available benefit months remaining at that time.

Calculating the Dollar Amount of the Benefit

To calculate the dollar amount of the benefit payable simply multiply the **number of monthly benefits** payable for the crisis event being claimed for by your **monthly benefit**. The minimum benefit payment for any one crisis event will be \$10,000.

Unemployment Benefit

An unemployment benefit will be paid if the insured person becomes involuntarily unemployed within one year of the commencement of your cover. The benefit is payable for up to 3 months, although it is not payable for the first 30 days of any period of unemployment.

The unemployment benefit will even continue to be payable after the end of the one year period provided the involuntarily unemployment commenced prior to that time. The benefit will also be available for a second period of involuntary unemployment provided:

- the insured person has been working in continuous employment for at least 180 days (for an average of 20 hours per week) since the previous period of unemployment; and
- the cumulative unemployment benefit paid in respect of the two periods of involuntary unemployment does not exceed 3 months.

The payment of an unemployment benefit will have no effect on the level or continuation of the other benefits provided by Loan Repayment Protection.

Meaning of involuntary unemployment

The insured person is *involuntarily unemployed* where:

- they were working in continuous employment (for an average of 20 hours per week) or in their own business, for at least 180 days immediately prior to becoming unemployed;
- they were terminated or made redundant by their employer (in the case of a employed person);
- their business has permanently ceased trading (in the case of a self employed person);
- they are registered with an Australian Government Approved Recruitment Agency; and
- they are actively seeking work.

Determining your benefit amounts

Calculating the Monthly Benefit

The amount of your monthly benefit is set at the start of your cover and will be equal to your monthly loan repayment, rounded up to the next \$100. This is subject to a minimum and maximum amount, so that for monthly repayments of less than \$1,000 the benefit will be \$1,000. For monthly repayments in excess of \$10,000, the monthly benefit will be capped at \$10,000.

The maximum allowable total of “monthly benefits” for an insured person under all Loan Repayment Protection insurances is \$10,000 (calculated when this cover commences).

Where the loan application is to increase an existing loan, the monthly benefit will be based on the full amount of the monthly loan repayment and not just the increase in the repayment.

Changing the Monthly Benefit

At the time of applying you may request the monthly benefit to be reduced by an amount of your choosing to a minimum of \$1,000. The amount requested will be rounded up to the nearest \$100.

You can always request us to vary your monthly benefit after cover has commenced, although we will need to agree to the change.

Indexation Increases

We will automatically increase the amount of your monthly benefit each year on the policy anniversary by reference to the increase in the Consumer Price Index (CPI). The amount of the increase in your monthly benefit will be at least 3% and where the CPI exceeds 10%, the increase may be capped at 10%.

You may decline an automatic increase in any year or tell us that you do not want us to increase your monthly benefit in this way.

Unemployment Benefit

The amount of your unemployment benefit is set at one monthly benefit for each month that you remain unemployed, subject to a maximum monthly unemployment benefit of \$2,500.

The monthly benefit used in the calculation will be the amount of the monthly benefit at the commencement of the unemployment, irrespective of whether it changes during that period. The unemployment benefit is payable monthly in arrears and if payable for less than one whole month, it will be calculated as 1/30th of the monthly amount payable for each day the insured person remains unemployed.

Crisis events – benefit classification

Benefit Type & Monthly Benefits Payable	Crisis Event
<p>Type 1 6 Monthly Benefits</p>	<ul style="list-style-type: none"> • Angioplasty* • Carcinoma in situ of the breast* • Coma – mild • Coronary artery bypass surgery* • Encephalitis • Hospitalisation benefit • Total loss of hearing in one ear • Total loss of sight in one eye • Total loss of use of one foot • Total loss of use of one hand • Total loss of use of the thumb and index finger of same hand • Work incapacity (6 months)
<p>Type 2 12 Monthly Benefits</p>	<ul style="list-style-type: none"> • Aortic surgery* • Aplastic anaemia • Benign brain tumour* • Cancer* • Cardiac arrest outside hospital* • Cardiomyopathy • Coma – moderate • Heart attack* • Heart valve surgery* • Intensive care • Kidney failure • Liver failure • Lung failure • Major head injury • Major organ transplant • Severe burns • Severe osteoporosis • Severe rheumatoid arthritis • Stroke* • Total loss of use of one arm • Total loss of use of one leg

Benefit Type & Monthly Benefits Payable	Crisis Event
<p>Type 3 24 Monthly Benefits</p>	<ul style="list-style-type: none"> • Alzheimer's disease/dementia • Coma - severe • Loss of independent existence • Motor neurone disease • Multiple sclerosis • Muscular dystrophy • Paralysis • Parkinson's disease • Total and permanent disablement • Total loss of hearing in both ears • Total loss of sight in both eyes • Total loss of speech • Total loss of use of both arms • Total loss of use of both feet • Total loss of use of both hands • Total loss of use of both legs • Total loss of any two of the following: hand, foot, leg, arm
<p>Type 4 36 Monthly Benefits</p>	<ul style="list-style-type: none"> • Death • Terminal illness

Some Important Rules

- In order to be entitled to a crisis benefit, the injury, illness or medical procedure must meet the respective crisis event definition. The full definition of each crisis event is contained in the full PDS and the Policy Document.
- No crisis benefit payment will be less than \$10,000, irrespective of the crisis event and the amount of your monthly benefit.
- * A 3 month wait applies from the commencement of the crisis benefit cover to any of the Type 1 and 2 crisis events marked with an asterisk.

Exclusions & benefit rules

Standard exclusions

For most people there are only a small number of exclusions that apply to their cover. This means that a benefit will not be paid:

- **(All Crisis Benefits)** for any crisis event that first occurred prior to the commencement of the cover.
- **(Type 4 Crisis Benefits)** if the event giving rise to the crisis event is caused by the insured person's own hand within 13 months of the commencement (or reinstatement) of the policy.
- **(Type 1, 2, and 3 Crisis Benefits)** if the event giving rise to the crisis event is caused by an intentional act of the insured person or any other owner of the insurance.
- **(Type 1, 2, and 3 Crisis Benefits)** if the crisis event of angioplasty, coronary artery bypass surgery, carcinoma in situ of the breast, aortic surgery, benign brain tumour, cancer, cardiac arrest outside hospital, heart attack, heart valve surgery or stroke first occurs before three months after the commencement of the cover.
- **(Unemployment Benefit)** where:
 - unemployment existed at the commencement of the cover.*
 - the insured person was aware of the impending termination of their employment at the commencement of the cover.*

* Cover will become available when you subsequently obtain employment as per dot point 1 of the definition of involuntary unemployment on page 4.

 - unemployment occurs as a result of:
 - ~ voluntary resignation, voluntary redundancy, early retirement or where employment has been abandoned;
 - ~ taking part in a strike or a lockout;
 - ~ being dismissed for serious misconduct or for taking part in an illegal or criminal activity; or
 - ~ employment ceasing at the end of a contract, season, task or period, where the insured person was employed under a contract, seasonally or for a specified task or period.

To be able to claim a benefit your condition will need to meet the definition of the crisis event being claimed, including the required level of severity. In this respect, claims for some crisis events will not be paid where the crisis event is caused by a mental condition.

Should there be an increase in your monthly benefit (other than an indexation increase) or a reinstatement of your cover, some exclusions will also apply.

Exclusions for Pre-Existing Conditions

Your cover will be subject to a *pre-existing condition exclusion* at the commencement date. Whether that exclusion applies will depend on your medical history at that time.

The form of the exclusion differs a little depending on which exclusion applies, but in general terms it will exclude crisis events which are caused or contributed to by:

- the condition that caused the exclusion to apply; or
- any complications arising from the treatment received in connection with that condition.

In some situations, the exclusion may also apply to crisis events that are caused or contributed to by other related or specified conditions and their treatment.

You can easily work out how the *pre-existing condition exclusion* might apply to your crisis benefit cover by referring to page 14, which sets out details of the exclusion. Importantly, where there are joint applicants the exclusion will only apply to the cover on the person whose prior condition caused the exclusion to apply.

Optional underwriting process

Within 30 days of the commencement of your crisis benefit cover, at your option you can choose to undertake a short underwriting process which consists of a series of "Personal Medical History" questions. Depending on the answers provided, we will immediately replace the *pre-existing condition exclusion* applying to your crisis benefit cover with either an *agreed exclusion* or remove it entirely. Additional information on the process and how the agreed exclusion might apply is set out on page 15.

Benefit Rules - Crisis Benefit

Where the insured person suffers more than one crisis event during the period of cover, there are situations where we will not pay a benefit or where we will limit the amount of the benefit that will be paid. In general terms this will occur where:

- the crisis events arise from the one incident or a series of related incidents.
- the same crisis event has previously been claimed and paid.
- the crisis event is related to a crisis event that has previously been claimed and paid.
- multiple crisis events arise out of the same condition.

These benefit rules are set out in the full PDS.

Optional death & terminal illness benefit

The death and terminal illness benefit is an optional benefit that must be requested by you within 2 months of the policy commencement date and is not provided automatically as part of your cover. This optional benefit operates independently of the crisis benefit cover and provides cover in addition to the Type 4 crisis benefit that is payable upon death or terminal illness.

We will only pay a death or terminal illness benefit where cover for this benefit has been obtained and remains in force at the date of the insured person's death or terminal illness.

Death Benefit

This benefit is paid upon the death of the insured person. The benefit payable will be the amount of the *death benefit* that applies at that time. This benefit is payable as a lump sum and upon payment of a death benefit your cover will end and no further benefits will be payable.

Terminal Illness Benefit

This benefit is paid if the insured person suffers a terminal illness. This occurs when in our opinion the insured person is terminally ill or injured and as a result has a life expectancy of less than 12 months. The amount of the terminal illness benefit is always the same as the death benefit at the time when the terminal illness occurs.

As this benefit brings forward the payment of the death benefit, payment of a terminal illness benefit will bring your cover to an end and no further benefits will be payable.

Benefit Amount

You may set the amount of the death and terminal illness benefit at the time you apply for this option. The amount must be rounded to a multiple of \$10,000 and is subject to a minimum benefit amount of \$50,000 and a maximum benefit amount of \$750,000.

The maximum death and terminal illness benefit for an insured person under all Loan Repayment Protection insurances is \$750,000 (calculated when the death and terminal illness benefit cover commences). We can reduce the benefit to this limit if it is exceeded without our specific approval.

Where you have chosen to obtain this cover on two persons, the benefit amounts applying to each person need not be the same.

If you find that the amount of your death and terminal illness benefit is not suitable, you can always ask us to vary it after this cover has commenced.

Indexation Increases

The automatic annual increase also applies to the death and terminal illness benefit. See page 5 for further information.

Exclusions

A death or terminal illness benefit will not be paid if:

- the event giving rise to death or terminal illness is caused by the insured person's own hand within 13 months of the commencement (or reinstatement) of this cover.
- the death or terminal illness first occurred prior to the commencement of this cover.

Exclusions for Pre-Existing Conditions

Your death and terminal illness benefit cover will be subject to a *pre-existing condition exclusion* at the commencement date of this benefit. Whether that exclusion applies will depend on your medical history at that time.

The form of the exclusion differs a little depending on which exclusion applies, but in general terms it will exclude death and terminal illness which is caused or contributed to by:

- the condition that caused the exclusion to apply; or
- any complications arising from the treatment received in connection with that condition.

In some situations, the exclusion may also exclude death and terminal illness that is caused or contributed to by other related or specified conditions and their treatment.

You can easily work out how the *pre-existing condition exclusion* might apply to your death and terminal illness cover by referring to page 14, which sets out details of the exclusion. Importantly, where there are joint applicants the exclusion will only apply to the cover on the person whose prior condition caused the exclusion to apply.

Optional underwriting process

Within 30 days of the commencement of your death and terminal illness cover, at your option you can choose to undertake a short underwriting process which consists of a series of "Personal Medical History" questions. Depending on the answers provided, we will immediately replace the *pre-existing condition exclusion* applying to your death and terminal illness cover with either an agreed exclusion or remove it entirely. Additional information on the process and how the agreed exclusion might apply is set out on page 15.

Other important information

Eligibility

To be eligible to apply, you as the person to be insured must:

- be an applicant for a loan (or loan increase) taken by your loan consultant in the last 12 months or nominated by a company that is a borrower on that loan application as a person associated with the company.
- be no younger than 18 and no older than 59.
- not be the “insured person” under two or more Loan Repayment Protection insurances where at the time of the acceptance of your application, the total of the “monthly benefit” amounts under all of those insurances is greater than \$10,000.

We may at our discretion choose to waive any of these eligibility requirements as we see fit.

Cover for 2 persons

Cover can be obtained for a second person with the cover for each person operating independently (although the premium will be paid jointly so that only one payment is made).

To be the second insured person you will be required to meet all of the eligibility requirements, except where you are a spouse or partner of the first insured person you will not need to be a borrower or a person nominated by the corporate borrower. Additionally the monthly benefit applying to each person need not be the same.

Ownership and payment of benefits

Where you only obtain cover on your own life you will usually be entitled to all benefits as the owner of the insurance. You will also be responsible for making sure that the premiums are paid.

There are only two exceptions to benefit payments being paid to you as owner and both relate to the payment of a benefit following death.

- Where you are the only owner as well as the insured person who has died, the benefit will be payable to your estate.
- If you are a joint owner as well as the insured person who has died, the benefit will be paid to the surviving owner(s).

Where cover has been obtained on the life of two persons, both of you will jointly own these insurances. If you wish to be the sole owner of the cover on your life you should apply separately.

Cooling off period

Cover is provided free for the first month of the insurance. So if you do not want the cover to continue you may cancel it at anytime during the first month and we will not ask you for any premium. All you need to do is write to us within one month of commencement and request us to cancel the cover.

Premiums

Premium Commencement — the monthly premium payments commence at the beginning of the second month of your crisis benefit cover due to the first month of cover being provided without charge.

Premium Payments — payable in advance by equal monthly instalments. Pay by MasterCard, Visa or American Express or by automatic debit from your bank, building society or credit union account.

Calculation of Premiums — determined by the amount of your benefits and your age, gender and smoking status.

Your crisis benefit premium is calculated at the start of your cover and then each year on the anniversary date of the policy and when there is a change to your monthly benefit. This is done by multiplying the crisis benefit premium rate applicable to you by each \$100 of the monthly benefit. The crisis benefit premium rates incorporate the unemployment cover and there is no additional charge for this benefit.

If you obtain the optional death and terminal illness benefit cover, the premium for this benefit is calculated at the start of this cover and then each year on the anniversary date of the policy and when there is a change to your death and terminal illness benefit amount. This is done by multiplying the death and terminal illness benefit premium rates applicable to you by each \$100,000 (or part thereof) of the amount of your death and terminal illness benefit.

A monthly policy fee is also payable as part of your premium.

The premium rates and policy fee used to calculate your premium for the crisis benefit are set out on page 16. The rates used to calculate your premium for the optional death and terminal illness benefit are set out on page 17.

Failure to pay premiums — if premiums are not paid when due we will cancel your cover. We will give you a grace period of at least 28 days in which to pay the overdue amount.

Premium Rate Variations — the premium rates and/or the policy fee may change where we give you advance notice and the change applies to all policies obtained under this version of the Product Disclosure Statement. Irrespective of any such change, the policy fee will increase each year by either 3% or the percentage increase in the CPI (whichever is the greater).

Government Charges — Currently you will not have to pay any duties or charges in addition to the premiums. In the future we may ask you to pay to us any government duty, tax, excise or charge that is payable in connection with your cover.

Age Limitations

Where your policy provides cover for these benefits, we will continue to provide that cover for:

- **Crisis Benefits:** crisis events that occur up to the anniversary date immediately after the insured person's 65th birthday.
- **Death and Terminal Illness Benefit:** death and terminal illness suffered up to the anniversary date immediately after the insured person's 99th birthday.

Termination

Loan Repayment Protection is guaranteed renewable which means that we will continue to make the cover available to you on an ongoing basis on the same standard policy conditions until one of the events set out below brings it to an end.

Crisis Benefit

- the anniversary date after the insured person's 65th birthday.
- the available benefit months have been reduced to zero.
- you cancel this benefit.

Death and Terminal Illness Benefit

- the anniversary date after the insured person's 99th birthday.
- we pay a terminal illness benefit.
- you cancel this benefit.

All Benefits

- the death of the insured person.
- we cancel your policy because you have not paid your premium by the required time or you have not met the eligibility requirements.
- you cancel the policy.

The unemployment benefit will not be available for unemployment commencing more than one year after the start of your cover.

Relationship to loan

Loan Repayment Protection provides insurance cover only, has no investment component or surrender value and operates independently to your loan. This cover does not end when the loan is paid off and the benefits are paid to you and not the lender.

Taxation

Under current taxation laws, premiums for your life insurance cover will not generally be tax deductible and the benefit payments will not generally be treated as assessable income. This position may differ where this cover is obtained by a business or the benefits are paid due to unemployment.

GST currently only applies to the unemployment benefit component of the premium and this charge is already included in the premium rates.

These taxation statements are made for general information purposes only and are based on the current interpretation of taxation laws which are subject to change. You should seek professional tax advice to determine the correct treatment of premiums and benefits.

Contacting us and Claims

Contact our Customer Service Centre if you have any questions about the product or if you wish to change anything on your policy or make a complaint. All instructions must be made in writing to us. You should always notify us of a claim as soon as possible.

Complaints

You should always contact our Customer Service Centre first if you have a complaint and we will try to resolve it for you within 45 days of receipt. If we cannot resolve it to your satisfaction you may then raise the matter directly with the Financial Ombudsman Service (also known as FOS) at:

- GPO Box 3, Melbourne VIC 3001
- Telephone 1300 780 808 (toll free).

FOS is an independent complaints resolution scheme established to provide free advice and assistance to consumers. For more information, please visit their website at www.fos.org.au

Register of Alternative Forms of Remuneration

We maintain a register of alternative forms of remuneration paid to intermediaries as required by the Financial Services Council of which we are a member. The purpose of this register is to provide an outline of the alternative types of remuneration paid and received. You can obtain a copy by calling us on 1300 555 625.

How to apply

- You will need to arrange to apply for cover through your loan consultant or by talking to an ALI representative directly. They will help you complete your application and then will submit it to us on your behalf.
- Where the application is to be submitted electronically, there is no need to sign any documentation, including your payment authority.
- It is essential that all information contained in the application is correct and that you answer all questions honestly.
- Cover will only begin when we tell you that we have accepted your application (or such later date that you requested us to start the cover from).
- Upon acceptance we will provide you with our standard policy conditions and a policy schedule that sets out the details specific to your cover. These are the terms and conditions of your cover. You will be given the opportunity to have us correct any information or payment authority details at this time.

A copy of the full Product Disclosure Statement for this product can be obtained by contacting our Customer Service Centre

Protection of your privacy

As your insurer, we are committed to protecting and maintaining the privacy, accuracy and security of our customers' personal information. If you have any questions about your personal information or wish to obtain a copy of our Privacy Policy please call our customer service centre on 1800 006 776.

Collecting Personal Information

We collect personal information from our customers so that we can:

- assess the application for insurance.
- provide a premium quote.
- issue and administer the insurance.
- assess claims under the insurance.
- improve our insurance products.
- provide customers with information on our products and services.

By applying for this insurance you and any other insured person will be consenting to the collection, use and disclosure of the personal information set out in this statement. If we are not provided with this information we will not be able to provide this insurance.

In most instances, we collect your personal information from you when you apply for cover or complete a personal statement, but we may also collect information from you which you provide over the telephone or internet.

In some situations, we may also collect your personal information from a third party, such as your loan consultant, financial planner or adviser, health professional, accountant or another organisation with whom we have an arrangement for the promotion and sale of products offered or distributed by us.

Disclosure of Personal Information

We will not without your consent disclose your personal information to any person outside our company other than:

- anyone to whom we outsource tasks or who do something on our behalf. This includes our administrators and the licensed distributor of this insurance.
- medical practitioners, reinsurers, legal advisers and claims investigators.
- other insurers to which the insurance policy has been transferred.
- where the disclosure is required (or allowed) by law.

All persons engaged to do something on our behalf will be required to ensure that our privacy requirements are met when using this information. Importantly they will only be permitted to use the information to perform tasks which we have asked them.

Product and Marketing Material

Both we and the licensed distributor of this insurance would like to be able to contact you or send you information about special offers and other products and services that either we or the licensed distributor of this insurance offer. We may choose to do this through a licensed distributor. If you do not wish to receive this information please call our Customer Service Centre on 1800 006 776.

Right to Access – Contacting us

You may access your personal information that we hold by calling our Customer Service Centre. We may charge you for providing access to your information. If any of your personal information is not accurate, complete or up-to-date, you may be able to have the information corrected.

Pre-existing condition exclusion

Your cover will be subject to a *pre-existing condition exclusion* where you have not undertaken the underwriting process. There are 2 types of pre-existing condition exclusions (Type A and Type B), both of which may apply to your cover.

Both the crisis benefit and the death and terminal illness benefit are subject to these exclusions but will be considered separately for the purposes of:

- determining the applicability of the exclusion to the respective benefit type;
- answering the "Personal Medical History" questions in the underwriting process; and
- the placing of an agreed exclusion on that benefit type.

These exclusions do not apply to the unemployment benefit.

When Does the Type A Exclusion Apply?

A Type A exclusion will apply, if at the commencement date of the respective benefit type you had suffered from, or had sought or intended to seek advice or treatment from a health professional for any of the conditions contained in the following paragraphs:

- (a) Diabetes (excluding diabetes only during pregnancy), chest pain, heart condition, stroke or circulatory condition (excluding controlled high blood pressure);
- (b) A lump or growth that has not been confirmed benign (non cancerous) or any form of cancer, leukaemia, lymphoma or melanoma (excluding other skin cancer);
- (c) Breast lumps;
- (d) Any chronic condition of the kidney;
- (e) Any chronic condition of the bladder;
- (f) Any chronic condition of the liver (including hepatitis);
- (g) Any chronic condition of the bowel;
- (h) Any chronic condition of the stomach;
- (i) Any chronic lung condition (excluding controlled asthma);
- (j) Epilepsy;
- (k) Rheumatoid arthritis;
- (l) Osteoporosis;
- (m) Paralysis;
- (n) Multiple sclerosis or other nervous system condition;
- (o) Any sight impairment (excluding long or short sightedness corrected by glasses or contact lenses);
- (p) Any hearing impairment;
- (q) A blood condition including (but not limited to) HIV or AIDS; or
- (r) Serious mental condition (including schizophrenia, bi-polar disorder, psychosis, Post Traumatic Stress Disorder, drug or alcohol dependency, suicide attempt or major depressive disorder). (Applies only to the death and terminal illness benefit cover).

For definitions of **controlled**, **chronic** and **serious mental condition**, see page 15.

Where a Type A exclusion applies to you, the **excluded conditions** are all of those conditions contained in the paragraph which included that condition. Where multiple conditions apply, this exclusion may extend to one or more of the paragraphs.

For example: *If at the commencement date of the respective benefit type you had previously suffered from cancer, then all of the conditions referred to in paragraph (b) will be **excluded conditions**. If you had also previously suffered from a nervous system condition, then all of the conditions referred to in paragraphs (b) and (n) will be **excluded conditions**.*

What is the Type A Exclusion?

Where a Type A exclusion applies, no benefit will be payable for any insured event which is in any way (directly or indirectly) caused or contributed to by:

- any of the excluded conditions; or
- any complications arising from the treatment that you receive in connection with any of those excluded conditions.

For example: *If at the commencement date of the respective benefit type you had previously suffered from any of the conditions in paragraph (b) (e.g. cancer), then all the conditions referred to in paragraph (b) are excluded from the cover provided. This means that no benefit will be paid which is in any way (directly or indirectly) caused or contributed to by a lump or growth that has not been confirmed as benign or any form of cancer, leukaemia, lymphoma and melanoma (excluding other skin cancers) or any complications arising from their treatment.*

When Does the Type B Exclusion Apply?

A Type B exclusion will apply, if at the commencement date of the respective benefit type two or more of your natural parents, brothers or sisters had been diagnosed before the age of 55 with:

- bowel cancer (all insured persons); or
- breast cancer or ovarian cancer (for female insured persons only)

What is the Type B Exclusion?

Where the Type B exclusion applies, no benefit will be payable for any insured event which is in any way (directly or indirectly) caused or contributed to by:

- a cancer; or
- any complications arising from the treatment that you receive in connection with a cancer.

For example: *If at the commencement date of the respective benefit type both of your parents had previously been diagnosed with bowel cancer before the age of 55, then no benefit will be paid which is in any way (directly or indirectly) caused or contributed to by a cancer or any complications arising from the treatment of the cancer.*

Optional underwriting process

Within 30 days of the commencement of your crisis benefit cover, at your option you can choose to undertake a short underwriting process which consists of a series of "Personal Medical History" questions. Depending on the answers provided, we will immediately replace the *pre-existing condition* exclusion for that benefit with either an *agreed exclusion* or remove it entirely.

Where you subsequently obtain cover for the death and terminal illness benefit, you can also choose to undertake this process in respect to that benefit type within 30 days of the commencement of that benefit.

"Yes" or "No" answers

Where you answer "no" to all of the questions, the cover for the respective benefit type will no longer be subject to any exclusion in connection with pre-existing conditions. Where you answer "yes" to one or more of the questions, your cover for the respective benefit type will be subject to an agreed exclusion for the condition that caused you to answer "yes" to the question.

Importantly, the agreed exclusion that will be placed on your cover will have the same effect as the pre-existing condition exclusion that it will replace, but will have the added benefit of providing you with absolute certainty as to which pre-existing conditions are excluded.

Information on how the agreed exclusion might apply is set out below.

Obligation To Answer Questions Correctly – Duty of Disclosure

Where you undertake the underwriting process, you have a duty to answer the "Personal Medical History" questions honestly and accurately as we rely on this information in determining the terms and conditions of your cover. If you fail to comply with this obligation and you subsequently make a claim, we may be able to reduce the benefit payable or avoid paying the claim altogether.

Agreed Exclusion

Your cover will be subject to an *agreed exclusion* where you have undertaken the underwriting process and answered "yes" to one or more of the medical related questions. There are 2 types of *agreed exclusions* (Type 1 and Type 2), both of which may apply to the cover.

The form of the exclusion differs a little depending on which question is answered "yes", but in general terms it will exclude death, terminal illness or an insured condition which is caused or contributed to by:

- the condition that caused the question to be answered "yes"; or
- any complications arising from the treatment received in connection with that condition.

In some situations, the exclusion may also exclude death, terminal illness or an insured condition that is caused or contributed to by other related or specified conditions and their treatment.

If your cover is to be subject to an *agreed exclusion*, the full exclusion will be specified at the time you undertake the underwriting process. Importantly, where there are joint applicants the exclusion will only apply to the cover on the person who answered "yes" to the question.

Definitions

Definitions that apply to the pre-existing condition exclusion, the underwriting questions and the agreed exclusions are as follows:

controlled means regulated by medication or treatment and the condition does not restrict your lifestyle.

chronic means the condition is recurrent, has lasted more than one month or requires ongoing prescribed medication or treatment.

serious mental condition includes the conditions listed, and describes any mental condition that required hospitalisation treatment. It does not include mild stress, depression or anxiety that is well managed by medication and/or counselling only.

Crisis Benefit – Premium rates

To calculate your monthly premium for the crisis benefit, multiply the crisis benefit premium rate applicable to you by each \$100 of the monthly benefit. Then add the policy fee (see below).

Monthly Premium Rates per \$100 Monthly Benefit				
Current age	Male non-smoker	Male smoker	Female non-smoker	Female smoker
18 -30	1.16	1.83	0.93	1.23
31	1.19	1.88	0.96	1.30
32	1.21	1.97	1.01	1.38
33	1.24	2.06	1.05	1.47
34	1.30	2.18	1.12	1.58
35	1.34	2.32	1.20	1.71
36	1.41	2.45	1.27	1.84
37	1.48	2.61	1.34	1.98
38	1.57	2.80	1.44	2.15
39	1.68	3.06	1.56	2.35
40	1.79	3.33	1.67	2.55
41	1.92	3.60	1.78	2.76
42	2.05	3.88	1.89	2.97
43	2.22	4.26	2.05	3.23
44	2.44	4.73	2.24	3.56
45	2.68	5.20	2.43	3.90
46	2.90	5.63	2.62	4.19
47	3.16	6.13	2.82	4.50
48	3.48	6.75	3.07	4.89
49	3.92	7.57	3.38	5.39
50	4.37	8.41	3.71	5.86
51	4.86	9.26	4.02	6.28
52	5.42	10.18	4.38	6.82
53	6.19	11.45	4.89	7.54
54	7.20	13.04	5.59	8.48
55	8.22	14.47	6.31	9.36
56	9.27	15.68	7.04	10.21
57	10.52	17.25	7.94	11.21
58	11.97	19.03	8.98	12.41
59	13.51	21.18	10.06	13.87

Policy Fee: \$3.00 per month. Note: there is only one policy fee per policy, irrespective of whether one or two persons obtain cover. See page 8 for more information on the policy fee.

Optional death and terminal illness benefit – Premium rates

If you obtain the optional death and terminal illness benefit cover, your premium for this benefit is calculated by multiplying the death and terminal illness benefit premium rate applicable to you by each \$100,000 of the death benefit. Only add the policy fee where crisis benefit cover is no longer provided.

Monthly Premium Rates per \$100,000 Death Benefit				
Current age	Male non-smoker	Male smoker	Female non-smoker	Female smoker
18 -33	10.92	17.17	7.25	10.08
34	10.92	17.17	7.33	10.08
35	10.92	17.58	7.75	10.67
36	10.92	18.17	8.08	11.33
37	10.92	19.00	8.50	12.00
38	11.25	19.92	8.92	12.75
39	11.67	21.00	9.42	13.67
40	12.25	22.33	9.92	14.50
41	12.92	23.92	10.50	15.58
42	13.67	25.58	11.08	16.67
43	14.50	27.58	11.75	17.75
44	15.58	29.92	12.42	18.92
45	16.83	32.58	13.08	20.17
46	18.33	35.67	14.08	21.75
47	20.08	39.17	15.17	23.42
48	22.25	43.42	16.33	25.25
49	24.67	48.25	17.50	27.08
50	27.33	53.50	18.83	29.08
51	30.17	58.92	20.33	31.25
52	33.58	65.08	22.00	33.67
53	37.50	72.00	23.92	36.42
54	41.92	79.33	26.25	39.75
55	46.83	87.00	29.17	43.67
56	52.50	95.25	32.25	47.67
57	59.00	104.33	35.67	52.08
58	66.42	114.25	39.75	57.00
59	75.33	126.25	44.33	62.58
60	86.08	140.92	49.58	68.83

Direct debit service agreement

Authorisation:

By providing us with the Direct Debit Request, you have authorised us to arrange for funds to be debited from your account for the purpose of paying the premiums on the insurance cover provided by Loan Repayment Protection. The authorisation will be on the terms set out in this agreement and may be provided to us in writing, email or verbally. Any change to the account to which your Direct Debit Request applies, may also be provided to us in writing, email or verbally.

We will draw the premium from your account each month on the premium due date. We will not issue a billing notification prior to initiating a drawing.

The amount of the premium may vary and we will not notify you of this variation unless we are required to do so under the Policy Document.

We will only draw from your account those amounts that you have authorised under the Direct Debit Request and except in the circumstances permitted by the Policy Document we will not change the amount or frequency of drawing arrangements, without your prior approval. Importantly, you will not be able to vary the amount or frequency of the premium that will be debited to your account.

We may change the terms of this agreement without your consent. If we do, we will tell you 14 days prior to the change.

Drawing arrangements:

Where the premium due date falls on a non business day, we will draw the premium on the next business day.

We will not draw an amount from your account other than the full premium due. In the event that the drawing is dishonoured by your financial institution, we may (in our discretion) make further attempts to draw the amount from your account after we receive notice of the dishonour.

We reserve the right to cancel the authorisation if three or more drawings are returned unpaid by your financial institution.

We will keep all information relating to your account confidential and will only use the information for purposes connected with this agreement and the insurance. However, our financial institution may also require this information to be provided in connection with a claim made on it relating to an alleged incorrect or wrongful debit. Our Privacy Policy will apply to this information and if you wish to obtain a copy please call us.

Your rights:

By giving written notice to us at least 14 days prior to the premium due date (either directly or through your financial institution):

- you may cancel the authorisation;
- you may change the account details to which the authorisation applies; or
- you may stop a drawing being made from the account.

If you believe that there has been an error in debiting your account you should take the matter up with us or lodge a Direct Debit Claim through your financial institution. If we cannot resolve the matter to your satisfaction you may also contact your financial institution. If we conclude that your account has been incorrectly debited we will arrange for this to be corrected.

Your responsibilities:

It is your responsibility to:

- ensure that direct debiting is available on your account and that the account details you have given us are correct.
- ensure that sufficient funds are available in the account to meet the drawing on each premium due date. If there are insufficient funds and the payment is dishonoured then you will be responsible for any fee charged by the financial institution to your account. You will also be responsible for any fee that is incurred by us and we are authorised to recover this from your account.
- ensure that the person or persons who have given us the authorisation to draw on the account are permitted to do so under the account signing instruction held by your financial institution.
- advise us if the account is transferred or closed.
- arrange for a suitable alternate payment method if you wish to cancel the authorisation.
- check your account statement to verify that the amounts debited are correct.
- pay any fees or charges made to your account by your financial institution in connection with the drawings made on your account.

Change of insurer:

If we cease to be the “insurer” of the insurance product as a result of the insurance being transferred to another registered insurer, then in order for premium payments to continue, the authorities provided to us under this Direct Debit Request will be transferred to the new insurer without the need for your consent.

Contact details:

If you wish to contact us about any matter connected with this agreement please:

call 1800 006 776,

email service@aligroup.com.au

or write to Customer Relations Officer,
Loan Repayment Protection, GPO Box 4737
Sydney NSW 2001

Interpretation:

“**we**” or “**us**” means MetLife Insurance Limited (ABN 75 004 274 882) (AFSL 238 096) or any subsequent insurer of the insurance product.

“**you**” means the person or persons who provided us with the Direct Debit Request.

“**account**” means the account you have authorised us to directly debit with the premium payments on the insurance policy issued by us.

“**policy document**” means the policy document for Loan Repayment Protection.

“**premium**” means the amount of premium payable in accordance with the policy document.

About this short form product disclosure statement

This Short Form PDS provides you with information on the features of Loan Repayment Protection and you should consider its contents carefully before deciding whether to apply. For further information you can obtain the full PDS for this product simply by contacting our Customer Service Centre.

The information in this document is current at the date of issue. You will be notified of any changes as required by consumer protection laws.

Always consider your circumstances

The information that we have provided in this document does not take into account your financial situation or your personal needs and objectives.

We recommend that before you make any decision about the product based solely on this information, you should consider whether the insurance is suitable to you and your individual circumstances.

If you are unsure, you should seek the assistance of an independent financial adviser.

Customer Service Centre

Phone 1800 006 776

Fax 1800 260 860

Email service@aligroup.com.au

Postal address GPO Box 4737 Sydney NSW 2001

For further information, go to www.aligroup.com.au or call ALI Group on **1800 006 776**

Loan Repayment Protection is issued by MetLife Insurance Limited (ABN 75 004 274 882) (AFSL 238 096) of 2 Park Street, Sydney NSW 2000 and ACE Insurance Limited (ABN 23 001 642 020) (AFSL 239 687) of 28-34 O'Connell Street Sydney 2000. Loan Repayment Protection is distributed by Australian Life Insurance Distribution Pty Ltd (AFSL 226 403) and its representatives.