



MLC EasyCover

Product Disclosure Statement

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This Product Disclosure
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This information is designed to help you decide whether this insurance suits you.

For more information, please contact us, your banker, mortgage broker or financial adviser, or go to the online copy of this document on **mlc.com.au/pds/easycover**

References to **mlc.com.au** in the online copy link directly to the additional information available.

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Why MLC is the right choice

We give you insurance you can depend on.

Our track record speaks for itself.

With over 120 years of protecting people's wealth, it's no surprise we provide more personal insurance to Australians than any other company.

And we've been awarded Life Insurance Company of the Year at the Australian and New Zealand Insurance Industry Awards for four out of the last seven years.

Keeping your insurance up to date

We continuously look for ways to improve your insurance so you'll have better protection.

We'll keep you up to date with any innovations or enhancements we make to MLC EasyCover that you can take advantage of.

Our claims philosophy

As a sustainable, quality insurer, we're always there for clients at claim time.

Our team of claims assessors and support staff assess each claim with integrity and fairness.

The MLC group of companies is the wealth management division of the National Australia Bank (NAB).

We provide investment, superannuation and insurance solutions and support the provision of quality financial advice which helps people achieve their lifestyle and financial goals.



Why MLC EasyCover?

It's a simple way to help pay your loan when you can't.

Buying a new home or investment property is an exciting step in your life.

However, what would happen if you couldn't make your loan repayments because you lost your job, had a serious illness or, worst of all, you were to die?

While we like to think unplanned and unwanted events will never happen to us, the reality is they sometimes do.

The MLC EasyCover solution

MLC EasyCover is a simple way to help pay your loan if something were to happen to you.

It's a packaged insurance solution, made up of Life Cover, Disablement and Involuntary Unemployment insurance.

Your insurance can continue even after you've paid off your loan.

Things to consider

The amount of insurance that's right for you is a personal choice, so you'll need to consider a range of factors including your:

- family commitments
- savings and investment plans
- financial commitments
- income and lifestyle, and
- age.

Did you know?

60% of parents with dependent children don't have enough life insurance cover to look after their loved ones for more than a year if they were to die.

MLC EasyCover benefits

- Hassle-free application with no medical examinations.
- Discounted premiums when two home loan applicants are insured.
- You keep the same level of insurance if you reduce, refinance or pay off your loan.
- 100% of the Life Cover benefit is payable on diagnosis of a Terminal Illness.
- Ability to insure your other home loans not already covered by home loan protection insurance.

All-in-one insurance Life Cover

Helps look after your family when you can't be there.

This insurance pays a lump sum if you die, or if you're diagnosed with a Terminal Illness.

How does it work?

You can apply for this insurance when your home loan contract is signed.

You can choose a Life Cover amount based on the table. The amount can't exceed your loan amount.

If there are two people named on the loan contract, you can both apply for this insurance under the one MLC EasyCover policy.

You both become policy owners and you can each choose an individual Life Cover amount.

If two people are insured and one of you dies, the other continues to be insured. If you both die at the same time, both Life Cover benefits will be paid.

To be eligible for this insurance you need to be an Australian resident aged between 18 and 54, and your loan isn't already covered by home loan protection insurance.

How much insurance can you apply for?

You can apply for a minimum of \$20,000 up to \$500,000, depending on your age at application.

Age	Amount
18–44	Up to \$500,000
45–49	Up to \$250,000
50–54	Up to \$150,000

In determining the maximum amount of insurance, we'll include other MLC EasyCover policies you have with us.

You can apply for one MLC EasyCover policy per home loan.

You can also apply to increase your insurance when you increase your loan, subject to the age limits above. You can decrease your insurance at any time.

Terminal Illness benefit

If you're diagnosed with a Terminal Illness, we'll pay the Life Cover benefit to you.

You don't have to return the benefit if you live longer than 12 months.

Worldwide insurance

Our insurance goes with you wherever you go, which means you're covered 24 hours a day, anywhere in the world.

When won't a claim be paid?

We won't pay any benefits arising from:

- a Pre-Existing Condition
- suicide, attempted suicide or intentional self-inflicted injury or illness within 13 months from the start of, reinstatement of, or increase to your insurance
- being under the influence of alcohol or drugs, or
- involvement in criminal activity.

All-in-one insurance

Involuntary Unemployment insurance

This insurance pays you 1% of your Life Cover every month while you're unemployed due to circumstances beyond your control, for a maximum of four months.

How does it work?

If you're insured and working a minimum of 15 hours a week, over at least a continuous six month period and you then become Involuntarily Unemployed, we'll pay you a monthly benefit.

We'll pay one claim per year and a maximum of three claims over the life of your insurance for each person insured.

If two people are insured and you both become Involuntarily Unemployed at the same time, we'll pay just one benefit but it will be the higher of the two monthly benefits. If the monthly benefits are the same we'll pay the first person named on the Application Form.

Benefits will be paid for four months, or until you're no longer involuntarily unemployed; whichever is the earlier.

We'll only pay one monthly benefit at a time. If we're paying you a monthly benefit and you die, we'll pay your Life Cover benefit.

Waiting period

A one month waiting period applies; this is the initial period of Involuntary Unemployment when you don't receive monthly benefits.

To be eligible to make a further claim, you must have returned to work for at least 15 hours per week over a continuous six month period in the one occupation.

Premium refund

While you receive monthly benefits, we'll refund your premiums.

Involuntary Unemployment doesn't include:

- receipt of written or verbal notification of impending unemployment within 60 days of the start of reinstatement of, or increase to your insurance
- completion of a specified time period for which you were employed, including casual and seasonal work and fixed-term contracts
- being Employed by your Family before becoming unemployed
- unemployment due to industrial action
- unemployment due to normal and uncomplicated pregnancy or childbirth

- if you're Self-employed or in a business partnership and your business temporarily ceases to trade
- your position automatically ceasing under a partnership agreement or law, or
- choosing to end your employment.

When won't a claim be paid?

We won't pay any benefits arising from:

- a Pre-Existing Condition
- being under the influence of alcohol or drugs
- involvement in criminal activity, or
- Disablement for which a benefit has been paid under this policy.

All-in-one insurance

Disablement insurance

Gives you financial security for the unexpected.

This insurance pays 1% of your Life Cover every month while you're Disabled, for a maximum period of five years.

How does it work?

If you're insured and become Disabled, we'll pay you a monthly benefit.

There isn't a limit to the number of Disablement claims you can make, as long as the total benefits paid don't exceed your Life Cover amount.

No further benefits will be paid once your Life Cover amount has been paid.

If two people are insured and you both become Disabled at the same time, we'll pay just one benefit but it will be the higher of the two monthly benefits. If the monthly benefits are the same we'll pay the first person named on the Application Form.

We'll only pay one monthly benefit at a time. If we're paying you a monthly benefit and you die, we'll pay your Life Cover benefit.

Waiting period

A one month waiting period applies; this is the initial period of Disablement when you don't receive monthly benefits.

This waiting period applies for your Disablement benefit and Disablement benefit for Critical Illness (as per the information on page 9).

Premium refund

While you receive monthly benefits, we'll refund your premiums.

Recurring Disablement

While your policy is in force, if the same Disablement recurs within six months of your return to work, you can claim and the waiting period won't apply. If the Disablement recurs after six months, we'll treat it as a new claim.

When will benefits be reduced?

Disablement monthly benefits will be reduced if you're entitled to income from other sources including:

- any regular income from your employment
- payments made under any other similar policies
- a disability benefit from a superannuation or pension plan, or
- any entitlement to workers' compensation or payments made under similar legislation. This doesn't include Centrelink payments or benefits at common law.

We'll reduce the monthly benefit so the total you receive isn't more than 100% of your earnings before your Disablement in the first two years of your benefit period and not more than 75% for the remainder of your benefit period.

If any of the income from other sources is paid as a lump sum, it will be treated as though it was paid in equal monthly instalments for eight years, to calculate the reduction in your monthly benefit under Disablement insurance.

Disablement benefit for Critical Illness

When you suffer a Critical Illness we'll pay you the monthly Disablement benefit until the earlier of 24 months or the date your insurance ends, even if you've returned to work.

If, at the end of 24 months, you meet the Disablement definition and your insurance is still in force, we'll continue to pay you the monthly Disablement benefit while your Disablement continues until the earlier of a further 36 months or the date your insurance ends.

Qualifying period

Critical Illness conditions are covered only after a period of time known as the 'qualifying period'. This means you won't be covered for a Critical Illness condition when it first appears, first happens, or is first diagnosed within the qualifying period after the insurance began, was last reinstated or increased.

The qualifying period for Critical Illness is three months. However, while your policy is in force, we'll cover you for a future critical illness if it appears, happens or is diagnosed after the qualifying period has ended. Provided it's independent of, and not related to, when the condition last happened.

We'll only pay one monthly benefit at a time.

Critical illnesses covered

- Cancer
- Chronic kidney failure
- Coronary artery bypass surgery
- Heart Attack
- Major Organ Transplant
- Paralysis
- Stroke

Overseas protection

If you're disabled while located overseas, you'll receive the monthly Disablement benefit for up to a maximum of six months while you continue to meet the definition of Disablement.

The monthly benefits may be reinstated if you return to Australia and continue to meet the definition of Disablement.

When won't a claim be paid?

We won't pay any benefits arising from:

- a Pre-Existing Condition
- any sickness or disease or symptoms contracted within the first month of the start of, reinstatement of, or increase to your insurance
- intentional self-inflicted injury or illness
- being under the influence of alcohol or drugs
- involvement in criminal activity, or
- war or warlike operations.



Insurance – the details

Some finer details about how your insurance works.

Get to know your insurance

We'll send you a Policy Document with a Policy Schedule as part of your **Welcome kit**.

This will confirm the details of your insurance.

This PDS, your Policy Document and Policy Schedule form your policy with MLC.

How to apply

Simply fill in the Application Form and we'll do the rest.

You can apply for MLC EasyCover within 60 days after:

- your loan contract is signed; or
- your loan is drawn down.

You can also apply to add any existing home loan debts in your name to your insurance amount within 60 days of signing your loan contract or from loan draw down.

You can nominate one beneficiary on your Application Form; the beneficiary will receive your Life Cover amount in the event of your death.

If no beneficiary is nominated, your Life Cover amount will be paid to your estate or, if there are two people insured, the remaining person.

Once your home loan approval has been confirmed, including any loan increases, your completed Application Form will be sent to MLC.

When does your insurance start?

Your insurance starts when your application is accepted by us and we issue your Policy Schedule and Policy Document.

All terms and conditions of your insurance are effective from the commencement date shown in the Policy Schedule.

Replacing your existing insurance

Before you consider cancelling any insurance, you need to make sure our insurance is right for you.

Also, when you do choose MLC EasyCover, please wait for us to confirm you're insured before you cancel any existing arrangements.

About your premium

Your premium is based on the amount of insurance issued and:

- your age
- gender, and
- whether you smoke.

Premiums generally increase with age and are higher for smokers than non-smokers.

The table of premium rates is available on mlc.com.au/easycover

Your premium will be confirmed in your Policy Schedule.

How often do you pay your premiums?

You can pay your premiums monthly, in advance, by either credit card or direct debit from your bank account.

By giving us your bank details you agree to us deducting money from your account to pay your premiums. If you'd like further information, please go to mlc.com.au/directdebitschedule

If you haven't paid your premium after 30 days we'll send you a letter to remind you to do so.

You then have a further 30 days to pay any outstanding premiums. If you don't pay your outstanding premiums, your insurance will end.

You can apply to restart your policy within six months of your insurance ending.

Will premiums change?

We'll adjust your premiums each year for:

- your age at each policy anniversary, and
- any increases to your insurance.

We may also make changes to the premium rates which could increase or decrease your premiums.

We don't single out individuals for premium rate changes and we'll tell you about any changes we make to these rates 30 days before they take effect.

We may also pass on to you any costs incurred in implementing Government legislation or fees charged by third parties.

When does your insurance end?

Your insurance ends when:

- you reach your policy anniversary date after you turn 65
- you die
- your benefit is paid (either as a lump sum or as monthly payments that equal your Life Cover)
- your premiums aren't paid
- you cancel your insurance, or
- you make a fraudulent claim.

What happens if you want to change your mind?

If you change your mind, you can contact us to cancel your insurance. If you do this within 14 days of your insurance starting, we'll refund the premiums you paid during that time.

Product changes

We'll write to tell you about any changes we make that are materially adverse.

Any other changes will be available on **mlc.com.au**, or you can call us and request a paper copy.

In the future we may decide to discontinue MLC EasyCover. If this should happen, your insurance may be replaced with similar MLC insurance.

This replacement insurance will have the same or better benefits for you.

Transfer of ownership

We don't allow any transfer or assignment of ownership.

Tax

Your Disablement and Involuntary Unemployment premiums are generally tax deductible and any monthly benefit paid should be included in your assessable income.

We'll send you an annual tax statement showing the Disablement and Involuntary Unemployment premiums paid.

How to make a claim

You or your representative can contact us on **1300 857 113** and we'll tell you what you need to do and send you the necessary forms.

When a claim needs to be made, please let us know as soon as possible so we can start working on it.

Resolving complaints

We can usually resolve complaints over the phone. If we can't, or if you're not satisfied with the outcome, then please write to us.

We'll work to resolve your complaint as soon as possible.

If you're not satisfied with our decision you can get further advice from the Financial Ombudsman Service by calling **1300 780 808**. Or by emailing **info@fos.org.au**

More information is available on **fos.org.au**

Privacy

We respect your privacy. NAB's privacy policy is available on **mlc.com.au** or you can call us for a paper copy.

Any NAB company may collect, use, disclose and handle your personal information in a manner set out in that policy.

Insurance – the details (continued)

Duty of Disclosure

What you have to tell us

Before you enter into a contract of life insurance with MLC, you have a duty under the Insurance Contracts Act 1984 to disclose to MLC every matter that you know, or could reasonably be expected to know, is relevant to MLC's decision to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to MLC before such a contract of life insurance is extended, varied or reinstated.

Your duty, however, doesn't require disclosure of a matter:

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

Non-disclosure

If you fail to comply with your Duty of Disclosure, and MLC wouldn't have entered into the contract on any terms if the failure had not occurred, MLC may avoid the contract within three years of entering into it.

If your non-disclosure is fraudulent, MLC may avoid the contract at any time.

Even if MLC is entitled to avoid a contract of life insurance, MLC may, within three years of entering into it, elect not to avoid it but reduce the sum you've been insured for.

This is in accordance with a formula that takes into account the premium that would have been payable if you'd disclosed all relevant matters to MLC.

Your Duty of Disclosure continues until the contract of life insurance has been accepted by MLC (the insurer) and a policy is issued. It also applies if the contract is extended, varied or reinstated.

Go online for more information at mlc.com.au



Definitions

Insurance terms explained

Here are some technical definitions to help you better understand your insurance and what you're covered for.

Critical Illness

Means the first occurrence and subsequent diagnosis (or for surgical conditions, when the surgery actually happens) by a Registered Medical Practitioner who is an appropriate specialist and confirmed by MLC's medical adviser, of one or more of the following defined critical illnesses.

In some cases a condition must progress to a certain point before it meets the criteria in our Critical Illness definition.

Cancer

Means the presence of one or more malignant tumours, leukaemia or lymphomas (including Hodgkin's disease).

The following cancers are not covered by this policy.

- Chronic lymphocytic leukaemia in its early stages (RAI stages 0, 1 or 2).
- Prostate cancer which is histologically described as TNM classification T1 or another equivalent or lesser classification.
- Carcinoma in situ (including cervical dysplasia CIN1, CIN2 and CIN3), or pre-malignant tumours. Carcinoma in situ of the breast is included where it leads to the removal of the breast by a mastectomy. The procedure must

be performed as a direct result of the carcinoma in situ and specifically to arrest the spread of malignancy, and be considered the necessary and appropriate treatment.

- Skin cancer other than melanoma at least 1.5 mm thick or at least Clark Level 3 or invasion.
- Hyperkeratosis or basal cell skin carcinoma.
- Squamous cell skin carcinoma unless it has spread to other organs.

Chronic kidney failure (chronic renal failure)

Means the final stage of kidney disease that requires permanent dialysis or a transplant.

Coronary artery bypass surgery

Means the open heart surgical grafting of a bypass to a coronary artery to overcome narrowing or obstruction. It does not include coronary artery angioplasty, cardiac keyhole surgery, laser or other intra-arterial procedures.

Heart Attack

Means the death of part of the heart muscle because of inadequate blood supply. The diagnosis must be based on electrocardiogram changes and either:

- higher levels of cardiac enzyme (CK-MB) than normal; or
- an elevation (other than as a result of cardiac or coronary intervention or angina) of Troponin I in excess of 2.0ug/L (micro-grams per litre) or Troponin T in excess of 0.6ug/L.

Major Organ Transplant

The transplant of any of the following whole organs from a human donor to you:

- kidney
- lung
- liver
- pancreas
- heart, or
- bone marrow.

Paralysis

Means the total and permanent loss of the function of two or more limbs caused by damage to the nervous system.

Stroke

Means you suffer a cerebrovascular event producing neurological sequelae and causing at least 25% permanent impairment of whole person function.

Such diagnosis requires evidence of:

- infraction of brain tissue
- intra-cranial or sub-arachnoid haemorrhage, or
- embolisation from an extra-cranial source.

Transient ischaemic attacks, cerebral symptoms due to migraine, cerebral injury resulting from traumas or hypoxia, vascular disease affecting the eye or optic nerve and reversible ischaemic neurological deficits, are excluded.

Definitions

Insurance terms explained (continued)

Disablement

The definition of Disablement varies according to your employment status. If you're Gainfully Employed for at least 15 hours per week and have been so employed on a continuous basis for six months or more immediately prior to the date of your Disablement, then you'll be assessed as Disabled if, as a result of injury or sickness, you're unable to continuously and totally carry out all the normal duties of your usual occupation and you're not engaged in any Gainful Employment.

If you're unemployed or not Gainfully Employed for at least 15 hours per week or have not been so employed on a continuous basis for six months or more immediately prior to the date of your Disablement, then you'll be assessed as Disabled if, as a result of injury or sickness, you:

- a) are continuously and totally unable to do any two or more of the following groups of activities of daily living without physical help from someone else:
 - bathing or showering
 - dressing
 - moving from place to place, into and out of bed, and into and out of a chair
 - eating and drinking
 - using the toilet, or
- b) have severe cognitive impairment (with a score of 15 or less out of 30 in a Mini Mental State Examination) which leads to the need for continuous supervision to protect yourself or other people.

The Disablement must be as a result of you sustaining accidental bodily injury, sickness or disease which is certified by a Registered Medical Practitioner and confirmed by MLC's medical adviser.

Its continuance must be regularly certified by a Registered Medical Practitioner and you must not be engaged in any Gainful Employment.

Any reference to Disablement should also be read as referring to Disability and Disabled.

Employed by your Family

Means employed by an employer which is not a listed public company, or a related body corporate of a listed company, and in which an immediate family member of yours is, or was, either:

- a) a director, majority shareholder or partner of the employer; or
- b) in control of the employer.

Gainfully Employed

Means being in active employment for remuneration, payment or profit.

Any reference to Gainfully Employed should also be read as referring to Gainful Employment.

Involuntary Unemployment

Means a period during which you're not working and are actively seeking employment, and are registered with Centrelink or other Government approved job placement agency as a job seeker, commencing on the date of registration and continuing during such period as you're not Gainfully Employed where becoming unemployed was a result of:

- the termination of your Gainful Employment by your employer and not resulting from your voluntary resignation, or
- being made redundant from your Gainful Employment by your employer, or
- if you're Self-Employed or a partner in a business partnership, the business ceasing trading permanently due to actual or imminent insolvency or business factors beyond your reasonable control and being wound up or placed in the control of an insolvency administrator, or
- if you're a partner in a business partnership, your status as a partner is discontinued without your actual or implied consent, agreement or approval (for example, against your consent you're forced out of the partnership) and you cease to work with that business.

Mini Mental State Examination

Means the Mini Mental State Examination (MMSE) test which samples various functions including arithmetic, memory and orientation to assess cognition.

Pre-Existing Condition

Means an injury, illness or symptom(s) that first occurs or appears before the start of your insurance, or for which you have experienced symptom(s) or received medical treatment prior to the start of your insurance leading to a diagnosis after the start of your insurance, unless you were not aware of, or and could not be reasonably expected to be aware of, the condition or symptom(s).

Where the policy has been reinstated or the insurance amount increased, Pre-Existing Condition also means any injury, illness or symptom(s) that first occurs or appears before the date of reinstatement or date of increase, or for which you have experienced symptom(s) or received medical treatment prior to the date of reinstatement or increase, unless you were not aware or could not reasonably be expected to be aware of the injury, illness or symptom.

Registered Medical Practitioner

Means a registered and qualified medical practitioner and includes a specialist medical practitioner who is recognised and qualified to provide a diagnosis as a specialist, who is not the insured person or spouse of, or related to, the insured person.

Self-employed

Means when you're employed by yourself, or an employer which is not a listed public company or a related body corporate of a listed public company, and you're, or were, either:

- a director, majority shareholder, or
- partner of the employer, or
- in control of the employer.

Terminal Illness

This means any illness that, in MLC's opinion after consideration of medical evidence, is likely to lead to your death within 12 months from the date MLC is notified in writing.



An MLC EasyCover policy does not represent a deposit or a liability with the NAB, or other related bodies corporate of NAB (other than MLC as the insurer). MLC receives your insurance premiums and your claim is paid from MLC's Statutory Fund No.1 and MLC EasyCover is offered only in Australia.

For more information call MLC from anywhere in Australia on **132 652** or contact your adviser.

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