

Westpac Future Cover

# product disclosure statement

Issued by

Westpac Life Insurance Services Limited ('Westpac Life')

ABN 31 003 149 157

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Your future is our future

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## Section A – about Westpac Future Cover

### 1. Why you should read this document

This Product Disclosure Statement (PDS) will help you to:

- Decide whether this product will meet your needs; and
- Compare this product with any other products you may be considering.

The primary purpose of Westpac Future Cover is to provide a benefit in the event of death or, in some cases, if you become terminally ill. If you terminate your policy at any time, other than in the 14 day cooling-off period, you will not get a refund as this is not a savings or investment plan.

#### 1.1 How to apply

The offer made in this PDS is available only to persons residing and receiving this PDS within Australia.

Firstly, read all the information provided in this PDS, as it contains important information you should know about Westpac Future Cover. Then, apply either via the internet at **westpac.com.au** or call **1300 550 104**, 8am to 8pm Sydney time, Monday to Friday.

If your application is accepted, we will send you a policy document and policy schedule showing the full details of your cover. Please read these documents carefully when you receive them.

The information in this PDS does not take into account your financial situation, objectives or needs. Before acting on any information in this brochure, you should consider whether Westpac Future Cover is appropriate to your financial situation, objectives and needs.

#### 1.2 About this PDS

This PDS is designed to explain how Westpac Future Cover works. While the PDS contains important information about the policy, the full terms and conditions of the policy are set out in:

- the policy document;
- your policy schedule;
- your application or acceptance forms (as applicable); and
- any other document provided in connection with this insurance, which we tell you forms part of your contract.

The information in this PDS is up to date at the time it was prepared. However, information in this PDS that is not materially adverse may change from time to time.

If a change is not materially adverse, we may update this document by making information about the change available on the Westpac website at **westpac.com.au**. You can obtain a paper copy of this information on request free of charge.

## 2. An overview of Westpac Future Cover Insurance

### 2.1 General

Westpac Future Cover is a term life insurance plan available to people between the ages of 18 and 54.

Westpac Future Cover provides either:

- A **'Full Death Benefit'**, which provides:
  - a 'Death Benefit'. Under the 'Death Benefit', we will make a lump sum payment if you die from any cause before the policy ends subject to exclusions. The benefit payable is the amount of cover you have selected, plus any increases under the automatic annual increase (see page 5); and
  - a 'Terminal Illness Benefit'. Under the 'Terminal Illness Benefit', we will make a lump sum payment if you suffer a terminal illness before the policy ends. You suffer a terminal illness if, in our opinion, you suffer an injury or illness which results in you not being expected to live more than 12 months from the date of the claim. The 'Terminal Illness Benefit' is equal to the 'Death Benefit' payable. If we pay you the 'Terminal Illness Benefit', the policy ends. You won't be paid for both benefits. If you become entitled to a 'Terminal Illness Benefit' but you die before we have paid the 'Terminal Illness Benefit', we will pay the 'Death Benefit' instead;

or

- An **'Accidental Death Benefit'** if your application for a 'Full Death Benefit' is unsuccessful. The 'Accidental Death Benefit' guarantees a lump sum payment if you suffer a Bodily Injury (physical damage to the body sustained as a result of an external traumatic occurrence) caused by an Accident (means a single event that results in Bodily Injury that is unexpected. This does not include an event that results from sickness or disease) before the policy ends, and that Bodily Injury is the sole cause of your death within 12 months of the Accident. The benefit is:

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- The amount of cover you have selected, plus any increases to the benefit amount under the automatic annual increase (see below), if you are age 70 or less at the most recent policy Review Date (the 'Review Date' is the anniversary each year of the policy's commencement) before your death; or
- Half that amount if you are over age 70 but are age 80 or less at the most recent policy Review Date before your death; or
- Nil, if you are over age 80 on or after the policy Review Date before your death.

You are automatically covered by the Accidental Death Benefit from the date of your application. If your application for a Full Death Benefit is unsuccessful, you will continue to be covered by an Accidental Death Benefit. If your application for a Full Death Benefit is successful, your Accidental Death Benefit will cease to exist.

We offer you and your partner/spouse a choice of benefit levels from a minimum of \$25,000, with the option of increasing your cover anytime on completion of a health declaration in increments of \$25,000, up to a maximum of \$750,000. If you die or suffer a terminal illness within 13 months of an increase to the benefit level (other than an automatic annual increase), we will only pay the benefit applicable before the increase applied.

You're covered from the commencement date of your policy right up to the Review Date immediately after you turn age 80, as long as you pay your premiums on time. We can't cancel your policy if your health or pastimes change.

You are covered worldwide, 24 hours a day.

You can only have one Westpac Future Cover policy in place at any one time. If another Westpac Future Cover policy is already in place, we will void from inception the policy/ies entered into after the initial policy. We will refund all premiums if we void your policy (except any tax or duties that may apply to your premium that we are unable to recover), and it will be as if the policy never existed.

The policy ends after we pay the 'Death Benefit', or the 'Terminal Illness Benefit' or the 'Accidental Death Benefit'.

## **2.2 Automatic annual increases**

To protect the value of your benefit against erosion by inflation, your amount of cover will automatically increase by 3% each year

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on the policy Review Date. This is known as 'automatic annual increases'.

You can tell us in writing within 30 days of the policy Review Date that you don't wish for the automatic annual increase to be made. If you refuse the automatic annual increase for 2 years in a row, you lose your automatic right to increase a benefit in this way again. However, if you ask, we may restart the automatic annual increase subject to conditions. The full terms are outlined in your policy document.

## 2.3 Exclusions

We will not pay a '**Death Benefit**' if the insured person dies as a result of suicide or intentional self inflicted injury (whether sane or insane at the time) within 13 months of:

- The commencement date of the policy; or
- The date of reinstatement after the policy has lapsed.

We will not pay an '**Accidental Death Benefit**' if the insured's death results directly or indirectly or is in any way relating to:

- The insured person's own hand (including intentional self-injury, whether sane or insane at the time);
- Committing or attempting to commit a criminal offence;
- An Accident caused by the insured person while under the influence of alcohol, non-prescribed drugs or drugs taken in excess of prescribed amounts;
- The insured person driving a motor vehicle whilst having a percentage of alcohol in their breath or blood in excess of that permitted by law or while having an illegal substance in their system;
- A medical condition or disease known to the insured that pre-exists the Accident;
- Engaging in aviation except as a fare-paying passenger on a scheduled airline service;
- Active participation in any riot, strike, civil commotion, coup, revolution or active participation in any military, naval or air force action (except where the insured person dies on war service); or
- Engaging in any of the following pursuits: boxing, caving, motor racing, mountain climbing, outdoor rock climbing, potholing, rodeo, or scuba diving to a depth of over 40 metres.

## 3. Your duty of disclosure

You may find yourself uninsured if you do not comply with your duty of disclosure. Under the Insurance Contracts Act 1984, you have a duty (before you enter into a contract of life insurance with an insurer) to complete your application honestly and to disclose to Westpac Life everything you know, or could reasonably be expected to know, that is relevant to Westpac Life's decision to insure you, and if so, on what terms. You have the same duty to disclose those matters to the insurer before you extend, vary or reinstate a contract of life insurance.

You do not need to disclose anything that would reduce Westpac Life's risk, is of common knowledge, that Westpac Life knows or ought to know in the ordinary course of its business or if Westpac Life tells you that you do not need to disclose it. Please consider your health and lifestyle declaration very carefully. If your health, occupation or pastimes change between the time you complete your application (or request for reinstatement) and the time we accept your application and issue you a policy (or reinstate your policy), you must tell us.

If you fail to comply with your duty of disclosure, and Westpac Life would not have insured you on any terms if you had done so, Westpac Life may invalidate your policy or reduce your sum insured within 3 years of the issue date. If your non-disclosure or misrepresentation is fraudulent, Westpac Life may invalidate your policy at any time.

## 4. The amounts you have to pay

### **4.1 Premiums**

We calculate your premium when your policy begins and at each policy Review Date. The monthly premium you have to pay will be shown in the policy schedule we send you or the latest notice that we have provided to you, whichever is later. If we provide you with the 'Full Death Benefit' after your policy has begun, we will recalculate your premium and send you a new policy schedule.

**'Full Death Benefit'** premiums are based on our standard scale of premium rates (which may include a loading), the insured person's age, gender, continuity discounts, smoker status and level of cover and are payable monthly.

**'Accidental Death Benefit'** premiums are based on our standard scale of premium rates, the insured person's gender, continuity discounts, and level of cover.

Partners/spouse will receive a 10% discount on premiums for the life of their policy, providing that you and your partner/spouse each take out a Westpac Future Cover policy at the same time.

The number of variables means that we cannot give you an exact premium without knowing all your individual circumstances. You can visit **westpac.com.au** and complete the online application form, or call **1300 550 104** to get a quote.

Your premiums include an allowance for the taxes and duties we pay on this policy, such as stamp duty in your state or territory – there is no additional charge for these. However, we may ask you to pay any tax or duty increased or introduced in the future.

Premiums and discount factors are not guaranteed. However, they can normally only be changed after we have given 3 months' notice to all policyowners and only if premiums and discount factors are changed in respect of all policyowners who have this version of the policy. Premiums and discount factors can, however, be changed immediately and without prior notice if a war or invasion occurs which involves Australia (whether war is declared or not), or if a change occurs to any tax or duties we must pay in respect of your policy. We will write to tell you if we do this.

Your policy will end if premiums remain unpaid 28 days after we send you written notification that they are overdue. We may let you reinstate the policy within a certain time if you pay all the outstanding amounts and give us updated information about your health, occupation and pastimes that is satisfactory to us.

Your premiums can be paid either by automatic direct debit from your Australian bank, building society or credit union account, or by charge to your credit card acceptable to us.

You will receive a continuity discount of 2% off your premiums (excluding the policy fee) in the second year of your policy, and a further 2% each subsequent year up to a maximum of 10% in the sixth and subsequent years.

## **4.2 What are the charges?**

The monthly premium that you have to pay is shown in the policy schedule we send you or the latest notice that we have provided to you, whichever is later. We charge an annual policy fee which equates to \$6.50 per month or \$5.85 per month for partner's policies. The policy fee is not subject to automatic annual increase or continuity discounts.

In addition to the premium, we will recover charges that we incur for direct debit payments that you make. This may change without notice.

As noted on page 8, we may also require you to pay any taxes or duties which are introduced or increased in the future.

## **5. Distribution, Telemarketing Services and your Customer Relationship Manager (CRM)**

Westpac Life pays up to 120% of the first year's premium to Westpac Banking Corporation ('Westpac') for the distribution of Westpac Future Cover. If your first year's premium is \$100, then up to \$120 may be paid. The commission payable to Westpac for distribution is paid out of the premium we receive and is not an additional cost to you.

External telemarketing services are used by Westpac in relation to this product. A CRM employed by an external telemarketing services company may contact you about Westpac Future Cover. Your CRM may be required to provide you with a Financial Services Guide ('FSG') which explains the remuneration of the CRM and their employer based on the promotion of Westpac Future Cover and other products and services in more detail.

## **6. Taxation**

Where the policy is held for private purposes, the premium and benefit payment is non-deductible and non-assessable respectively.

This is a general statement only and is based on present tax laws and our interpretation of those laws. Your individual situation may differ and you should seek professional advice.

## 7. Cooling-off period

You have a cooling-off period to decide whether you want to keep this policy.

You have 14 days starting from the earlier of:

- the date you receive your policy document and policy schedule; or
- the end of the 5th business day after the day on which we issue the policy to you,

to decide whether you want to keep or cancel your policy and receive a refund – this is known as the cooling-off period.

If you want to cancel this policy within this 14 day cooling-off period, you may write to us at Westpac Life Insurance Services Limited, GPO Box 524, Sydney NSW 2001 or call **131 817**.

If you decide to cancel your policy within the cooling-off period, we will cancel this policy from the commencement date once we have received your request and refund any premium you have paid (except any tax or duties that may apply to your premium that we are unable to recover).

You cannot exercise your right of cooling-off if you have made a claim under the policy.

## 8. Making a claim

If the policyowner, your personal representative or your estate wishes to make a claim, please contact our Customer Relations Consultants on **131 817**, 8am to 6.30pm Sydney time, Monday to Friday.

To make a claim, the policyowner, your personal representative or your estate must notify us in writing within 6 months of the insured person's death, illness or injury occurring.

We will then send the person who notifies us the necessary claim forms. They must complete the forms and return them to us. They must provide a certified copy of the death certificate and if necessary, a certified copy of the autopsy report at their expense.

To make a claim for the 'Terminal Illness Benefit', you must get a registered medical practitioner to fill in the claim forms at your expense and return them to us.

## **9. When the policy ends**

This policy ends on the earliest of the following:

- We pay a benefit;
- The insured person dies;
- The benefit for the insured person ends;
- We receive your request to cancel the policy;
- We lapse or cancel the policy because you haven't paid your premium (see page 8);
- We cancel or void the policy as a result of an innocent or fraudulent non-disclosure and/or misrepresentation made by you prior to our acceptance of risk or during the making of a claim; or
- The policy Review Date immediately after the insured person reaches age 80.

## Section B – other information

### 1. Privacy

#### 1.1 We respect your privacy

If you do not wish to receive any further marketing communication from any member of the Westpac Group about products and services, please: call us on **132 032**; write to us at GPO Box 3433, Sydney NSW 2001; or call in to any Westpac branch.

#### 1.2 Protecting your privacy

We are committed to protecting and maintaining the privacy, accuracy and security of your personal information. Australian privacy legislation gives individuals protection relating to the collection and use of their personal information.

Westpac Life and any other member of the Westpac Group ('the Parties') may exchange with each other any information about you, including:

- Any information provided by you in the application for insurance; and
- Any other personal information you provide to any of them or which they otherwise lawfully obtain about you.

'Your health information', which includes information or an opinion about:

- Your health or disability; and
- Any health service which has been or will be provided to you.

Westpac Life may collect your health information from your medical practitioner for the purpose of assessing the application for insurance. If so, Westpac Life will ask you to provide your written consent for the release of your health information.

If Westpac Life engages anyone (a 'Service Provider') to do something on its behalf (e.g. a call centre, mailing house or data processor) then Westpac Life and the Service Provider may exchange with each other any information referred to above. Westpac Life might give any information referred to above to entities where it is required or allowed by law or where you have otherwise consented.

You agree that any information referred to above will be used by the Parties and any Service Provider for assessing the application for insurance and, if the application is accepted, to issue the policy and for administration of the policy, planning, product development and research purposes.

You can access most personal information that members of the Westpac Group hold about you (sometimes there will be a reason why that is not possible, in which case you will be told why).

To find out what sort of personal information members of the Westpac Group have about you, or to make a request for access, please telephone **131 817**. If you fail to provide any information requested in the application form, Westpac Life may not accept your application.

## **2. Important information about Westpac Future Cover**

These policies are distributed by Westpac Banking Corporation ABN 33 007 457 141. They are not deposits or other liabilities of the Bank or member companies of the Westpac Group\* (other than Westpac Life Insurance Services Limited). None of these companies guarantees the insurance benefits under the policies.

## **3. Issuer**

Westpac Future Cover is issued by Westpac Life Insurance Services Limited ABN 31 003 149 157, Level 20, Westpac Place, 275 Kent Street, Sydney NSW 2000, who is also the issuer of this PDS.

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\*The Westpac Group means Westpac Banking Corporation and its related bodies corporate which include Westpac Life Insurance Services Limited.

## **4. Enquiries and complaints**

If you have an enquiry or complaint, please call our Customer Relations Centre on **131 817** or address it in writing to: Westpac Future Cover Customer Relations Centre, Westpac Life Insurance Services Limited, GPO Box 524, Sydney, NSW 2001. Where you have a complaint, we will endeavour to deal with it as soon as possible and within 45 days. If we do not deal with your complaint to your satisfaction or within 45 days, you may raise the matter directly with the Financial Ombudsman Service (FOS), a free independent body, GPO Box 3, Melbourne VIC 3001. Telephone: **1300 780 808**.

For more information see **[www.fos.org.au](http://www.fos.org.au)**

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