



Love is. Mine. All mine.

**And knowing your home
will always be yours, with
Westpac Mortgage Secure.**



Supplementary Product Disclosure Statement (SPDS)

This SPDS is dated 1 May 2010 and supplements the information contained in the Product Disclosure Statement and Policy Document (PDS) dated 12 October 2009 for the Westpac Mortgage Secure product. This SPDS is issued by Westpac Life Insurance Services Limited (Westpac Life) ABN 31 003 149 157 AFSL No. 233728.

You should read both the SPDS and PDS before making a decision in relation to the Westpac Mortgage Secure product.

This SPDS has been issued in relation to the following changes.

PDS page 20 – When does cover begin and end?

The following text:

Subject to us accepting your application, your Mortgage Secure cover will start when your Westpac Loan is first drawn down (in the case of a construction loan or where progress payments are involved the policy commences, for the full Sum Insured applied for, on the date of the first draw down).

is deleted and replaced with:

Your Mortgage Secure cover commences immediately upon us accepting your application. The commencement date of your policy will be shown in the policy schedule. Your Interim Accidental Death cover ceases once we accept or refuse your application.

PDS page 29 – Cancelling your policy

The following text is added:

What happens if my loan doesn't proceed?

If your Westpac loan application does not proceed, your Mortgage Secure policy will continue with the same benefits and terms, unless you ask us to cancel your policy.

PDS page 35

The following text is added:

General Advice

This PDS provides general information about the product and does not take into account your personal objectives, financial situation or needs. You should consider this PDS fully and carefully before making your insurance decision, having regard to your own personal circumstances.

PDS page 36 – Period of Interim Accidental Death Cover

The following text:

2. the date you draw on your Westpac Loan;
3. in respect of each Interim Accidental Death Benefit for each Insured Person, the date Westpac Banking Corporation declines your Westpac Loan application, which also has the effect of cancelling your Interim Accidental Death Cover;
4. in respect of each Interim Accidental Death Benefit for each Insured Person, the date your Westpac Loan application is withdrawn;

is deleted and replaced with:

2. the date your Mortgage Secure policy commences;
3. the date we refuse your application for Mortgage Secure;

PDS Page 38 – Definitions

In the Interim Accidental Death Benefit definition, the following text:

and not drawn down

is deleted.



**Love is.
Mine.
All mine.**

**And knowing your home
will always be yours, with
Westpac Mortgage Secure.**



Love is.
Knowing
you're insured.
Four walls.
Family dinners.
Future dreams.
Think for a
minute about all
the beautiful
things in your life.
Insurance is like
wrapping them
up in a big, soft,
warm, cuddly
blanket.

**My front door.
My red feature wall.
My freedom.**

Whatever it is you love about owning your own home, you can enjoy it more knowing your family home is protected. So come in, browse around and see exactly how Westpac Mortgage Secure works. You'll find everything you need to make choosing your policy, understanding your cover and claiming as straightforward as possible. Got to love that.

We can help you apply or find out more:

Visit westpac.com.au/mortgagesecure

Ask at any branch of the Bank to apply in person

Call us on 131 817, Monday to Friday 8.00am – 6.30pm (Sydney time), for enquiries

Issued by: Westpac Life Insurance Services Limited (Westpac Life)
Product Disclosure Statement (PDS) and Policy Document effective 12 October 2009.
ABN 31 003 149 157 AFSL No. 233728

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What is Mortgage Secure?

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What is Mortgage Secure?

Mortgage Secure is classified as Consumer Credit Insurance (CCI). Its primary purpose is to help you meet your housing or investment property loan commitments to Westpac if you die, become Terminally Ill or suffer a specified medical trauma condition or event.

Mortgage Secure is designed to:

- provide a lump sum benefit if you die or suffer a Terminal Illness (see page 10) (**Death Benefit**), and/or
- if you select the **Living Benefit**, provide a lump sum benefit if you suffer a specified medical trauma condition or event (see page 10).

What level of cover is available?

Death Benefit

You can select a Death Benefit up to the amount of your Westpac Loan, subject to a minimum of \$30,000 and a maximum of \$750,000.

Living Benefit

You can select a Living Benefit equal to:

- 10% of the Death Benefit, or
 - 25% of the Death Benefit, or
 - 50% of the Death Benefit,
- subject to a minimum of \$3,000 and a maximum of \$375,000.

Before you apply.

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2. Before you Apply.

About this PDS and Policy Document.

This PDS and Policy Document is designed to explain how the Mortgage Secure insurance policy works.

The full terms and conditions of the policy are set out in:

- this PDS and Policy Document;
- your policy schedule;
- your Mortgage Secure application form; and
- any other document provided in connection with this insurance, which we tell you forms part of your contract.

The documents above make up your insurance contract with us. Should you have any questions about your policy, please call us on **131 817**.

Please read these documents carefully when you receive them and keep them in a safe place.

The information in this PDS and Policy Document is up to date as at the time it was prepared. However, information in this PDS and Policy Document 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**. When a change is materially adverse, we will issue a supplementary or replacement PDS and Policy Document.

You can obtain a paper copy of this information on request free of charge; please call us on **131 817**.

This insurance is optional

The decision to purchase Mortgage Secure is entirely up to you. You are not obliged to apply for or obtain this type of insurance. You can also arrange for this type of insurance through a different insurer if you wish.

Table of benefits.



Table of benefits.

The table of benefits below shows the cover provided by the policy.

Benefit	Benefit limits
Death	<p>The Death Benefit Sum Insured is payable if you die or suffer a Terminal Illness while your Mortgage Secure policy is in-force.</p> <p>Example: <i>Your policy has a Death Benefit Sum Insured of \$400,000. If you die we pay \$400,000.</i></p> <p>Definition: We consider that you suffer a Terminal Illness if, in our opinion, the illness results in you not being expected to live more than 12 months from the date the claim is made.</p> <p>We will only pay the Death Benefit (including Terminal Illness) once for each Insured Person under the policy.</p>
Living (if selected)	<p>The Living Benefit Sum Insured is payable if you suffer one of the following medical trauma conditions or events (which are defined on pages 39-41) while your Mortgage Secure policy is in-force:</p> <ul style="list-style-type: none">• cancer,• coronary artery bypass surgery,• heart attack,• paralysis,• stroke, or• loss of independent existence. <p>For the Living Benefit to be paid, you must meet the definition of one of the specified medical trauma conditions or events.</p> <p>The Death Benefit will be reduced by the amount of the Living Benefit paid.</p> <p>Example: <i>Your policy has a Death Benefit Sum Insured of \$400,000 and you select a Living Benefit equal to 50% of the Death Benefit. You therefore have a Living Benefit Sum Insured of \$200,000.</i></p> <p><i>If you suffer a stroke for the first time. We pay \$200,000 and the Death Benefit Sum Insured is reduced to \$200,000.</i></p> <p>We will only pay the Living Benefit Sum Insured once for each Insured Person under the policy.</p>

Who is eligible for Mortgage Secure?



4. Who is eligible for Mortgage Secure?

Who is eligible for Mortgage Secure?

You can apply for Mortgage Secure if you are:

- aged between 18 and 59 years inclusive; and
- applying for, or have, a Westpac Loan for a residential or investment property in Australia.

If you already have a Mortgage Secure policy you may only apply to increase your Death Benefit Sum Insured under this policy to the lesser of \$750,000 or your Westpac Loan balances at the time of application.

Up to two (2) borrowers can apply for Mortgage Secure on the one policy (called a Joint Policy) provided it is for the one Westpac Loan, and both borrowers are listed as mortgagees on the Westpac Loan. In this case, each borrower may have different levels of cover up to the lesser of:

- \$750,000; or
- the Westpac Loan balance at the time of application.

Example: *You and your partner apply for a Westpac Loan for \$300,000. You may both select a Death Benefit of \$300,000 (including a Living Benefit of \$150,000). Alternatively you may for example select a Death Benefit of \$300,000 (including a Living Benefit of \$150,000) and your partner a Death Benefit of \$200,000 (including a Living Benefit of \$100,000).*

You may have more than one Mortgage Secure policy. The total combined Death Benefit Sum Insured for any Insured Person across all Mortgage Secure policies cannot exceed the lesser of \$750,000 or the Westpac Loan balances at the time of application.

Example: *You have an existing Westpac Loan for \$600,000 and a Mortgage Secure policy with a Death Benefit Sum Insured of \$600,000. You apply for a new Westpac Loan for \$250,000. You can have a maximum Death Benefit Sum Insured of \$150,000 on a new Mortgage Secure policy.*

How to apply.



5. How to apply.

How to apply.

Applying for Mortgage Secure is a 3 step process.

1. firstly, read this PDS and Policy Document, as it contains important information you should know about Mortgage Secure.
2. then, ask your Westpac Home Finance Manager or a representative or agent of Westpac Banking Corporation for a quote on your premium.
3. complete the application form.

You are not required to undergo any medical examinations or answer any health declarations to apply for Mortgage Secure as an exclusion applies for any 'Pre-existing condition' that existed in the ten (10) years prior to or at the time of your application.

Pre-existing condition is defined as any Injury, Sickness, Illness or Symptom that you:

- were aware of, or a reasonable person in your position should have been aware of; or
- should have sought advice or treatment (conventional or alternative) from a medical practitioner or other health professional for (in circumstances where a reasonable person in your position would have sought advice or treatment); or
- had a medical consultation for or were prescribed medication or therapy for.

You are not covered for any Pre-existing condition that directly or indirectly results in a claim, unless you were unaware of, and a reasonable person in the circumstances could not be expected to have been aware of the Injury, Sickness, Illness or Symptom at the time of application.

Premiums.

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Premiums.

The monthly premium you have to pay during the first year of your policy will be shown in the policy schedule, which we send you once we have issued the policy to you, or the latest notice that we have provided to you, whichever is later.

Premiums are payable monthly and are based on our standard scale of premium rates and take into consideration factors such as the number of Insured Persons and each Insured Person's age, smoker status, gender, and level of cover.

Premiums are calculated yearly on your policy Review Date. While premium rates generally increase with age, your actual premiums could also vary if you change, amongst other things, the level of cover.

The number of variables means that we cannot give you an exact premium without knowing your individual circumstances. Your Home Finance Manager or a representative of Westpac Banking Corporation will be able to provide you with a quote for the insurance you have requested.

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 introduced or varied in the future.

Premiums and discount factors are not guaranteed. However, they can normally only be changed after we have given one (1) month's notice to all Insured Persons and only if premiums are changed in respect of all Insured Persons who have this version of the policy.

Your premiums can be paid either by automatic debit from your Australian bank, building society or credit union account (other than your Westpac Loan account) or by charge to a credit card acceptable to us. Premiums may not be paid directly from your loan.

Your policy will end if premiums remain unpaid for 28 days after we send you written notification that your premiums are overdue and that we intend to cancel your cover.

What are the charges?

The cost of Mortgage Secure is the premium payable which includes a monthly policy fee of \$7.50 for single policies or \$14.25 for Joint Policies. The amount of the policy fee may be changed from time to time. We will notify you one (1) month before any increase to the policy fee occurs.

In addition to the premium, we may recover other charges that we incur for direct debit payments that you make. The maximum charge we recover is currently 10 cents per payment. This charge may change without notice and is charged to us by your bank.

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**When does cover
begin and end?**

7. When does cover begin and end?

When does cover begin and end?

When you apply for Mortgage Secure you will be issued with an Interim Accidental Death certificate of cover, which provides cover for up to 90 days from the date of application (conditions apply – see pages 36-37).

Subject to us accepting your application, your Mortgage Secure cover will start when your Westpac Loan is first drawn down (in the case of a construction loan or where progress payments are involved the policy commences, for the full Sum Insured applied for, on the date of the first draw down).

A benefit for an Insured Person ends on the earliest of the following:

- the date we pay a Living or Death Benefit (including Terminal Illness) in respect of the Insured Person; or
- the date you ask us to cancel a benefit.

All benefits for an Insured Person ends on the earliest of the following:

- the date we pay a Death Benefit (including Terminal Illness) in respect of the Insured Person;
- the Review Date immediately after the Insured Person turns 65; or
- the date you ask us to cancel all benefits in respect of the Insured Person.

The policy ends on the earliest of the following:

- the date all benefits end;
- where there is only one Insured Person – the date the Death Benefit (including Terminal Illness) is paid;
- where there is only one Insured Person – the Review Date immediately after the Insured Person turns 65;
- where there is more than one Insured Person – the Review Date immediately after the youngest surviving Insured Person turns 65; or
- the date the policy is cancelled by you (see the ‘Cancelling your policy’ section on page 29) or us.

Changing my benefits or policy details.

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Changing my benefits or policy details.

Changes to your policy can be made by either contacting us by phone or in writing. In some cases further information, such as a completed application form, may be required.

For example:

- you can apply to change the Sum Insured on your Death or Living Benefit.
- if you wish to add a Living Benefit to your policy you may do so.
- if you wish to add or remove an Insured Person to your policy you may do so.

An exclusion applies to the increased Sum Insured for any Pre-existing condition that existed in the ten (10) years prior to or at the time of your application to increase the Sum Insured. Any existing Pre-existing condition exclusions continue to apply.

Your premiums may change accordingly.

All changes will be confirmed in writing to the Insured Person listed to receive the correspondence.

For Joint Policies all correspondence and documents will be sent to the single address of the first Insured Person or an alternate address nominated at the time of application unless we are notified otherwise.

Joint Policy:

A Joint Policy is when there are two (2) Insured Persons.

Each Insured may have different levels of cover and different benefit types.

Example: *You and your partner apply for a Westpac Loan for the amount of \$600,000. You apply for a Death Benefit of \$600,000 and a Living Benefit of \$300,000. Your partner applies for a Death Benefit of \$300,000.*

Each Insured will receive a 5% discount on premiums for the life of the policy.

Each Insured Person under a Joint Policy agrees that:

- a request, statement, act of omission by any Insured Person is made on behalf of all Insured Persons (including the declaration which forms part of the policy application); and
- we may give notices, information and documents in relation to the policy to any Insured Person on behalf of all Insured Persons.

If you personally give or receive a notice or document in relation to a policy, you must therefore tell the other Insured Person that you have given or received that notice or document and its effect.

Example: *If you tell us that you have changed your address, you must tell the other Insured Person that you have changed the address for notices under the policy. Or, if we send you a notice cancelling your policy, you must tell the other Insured Person that the policy has been cancelled.*

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Making a claim.

Making a claim.

How and when to make a claim

To make a claim, you or your representative must tell us within six (6) months or as soon as reasonably possible after death, or the Injury, Disease or Sickness begins or surgery occurs. We will send you or your representative the claim forms you need. The claim forms also include a general authority from you and the Insured Person for us to obtain information. The claim forms and the authority must be completed, signed and returned to us before we can pay a benefit.

For death claims we must be provided with a certified copy of the Insured Person's birth certificate, death certificate and if necessary, a certified copy of the autopsy report. We will generally not pay for the cost of obtaining these documents.

Where appropriate, you must get a registered medical practitioner to fill in these forms. Please note that the medical practitioner must be a registered medical practitioner and acceptable to us. We will not pay for the cost of getting a registered medical practitioner to fill in these forms.

We can ask for more information

At any time after we receive the claim forms, we may ask for more information. In the case of a claim for Terminal Illness or a Living Benefit, we may also choose a registered medical practitioner to examine the Insured Person.

You or the Insured Person must give us the information we need and the Insured Person must allow himself or herself to be medically examined at any reasonable time we request. We will pay the reasonable costs of getting this information or having any medical examination that we ask for.

We will collect further personal information, which includes health information. For the purpose of assessing the claim it may be necessary for us to disclose that information to third parties such as medical practitioners. You agree that the necessary collections and disclosures of your personal information will be a condition of making a claim.

We can ask you or an Insured Person for proof of the Insured Person's age before we pay a benefit. This information must be given to us.

How and to whom benefits are paid

Death Benefit

The Death Benefit Sum Insured is payable if you die or become Terminally Ill while your Mortgage Secure policy is in-force.

The Death Benefit will be firstly paid to your Westpac Loan and any remaining benefit will be paid to:

1. you in the case of Terminal Illness;
2. your estate if you die and are the only Insured Person on the policy; or
3. the surviving Insured Person if you die and are an Insured Person under a Joint Policy.

Example 1: *You have a Death Benefit Sum Insured of \$450,000. At the time you are diagnosed as being Terminally Ill the outstanding balance of your loan has reduced to \$200,000. We pay \$200,000 to your Westpac Loan and the remaining \$250,000 to you.*

Example 2: *You are the only Insured Person on the policy and have a Death Benefit Sum Insured of \$400,000. At the time of your death the outstanding balance of your loan has reduced to \$150,000. We pay \$150,000 to your Westpac Loan and the remaining \$250,000 to your estate.*

Example 3: *You have a Death Benefit Sum Insured of \$500,000 on a Joint Policy. At the time of your death the outstanding balance of your loan has reduced to \$350,000. We pay \$350,000 to your Westpac Loan and the remaining \$150,000 to the surviving Insured Person.*

On payment of a Death Benefit, all benefits for the Insured Person under the policy, including the Living Benefit (where selected), cease.

If the policy is a Joint Policy, cover continues for the surviving Insured Person.

Example: *You and your partner each have a Death Benefit Sum Insured of \$300,000 on a Joint Policy. At the time of your death the outstanding balance of your loan is \$300,000. We pay \$300,000 to your Westpac Loan. Your partner's cover continues with a Death Benefit Sum Insured of \$300,000.*

If both insured Persons, under a Joint Policy, were to die at the same time or within 28 days of each other, the Death Benefit will be paid in equal

9. Making a claim.

proportions to the Westpac Loan with any remaining benefit paid to the Insured Person's estate in equal proportions.

Example: *You and your partner have a Westpac Loan with an outstanding balance of \$400,000 and you each have a Death Benefit Sum Insured of \$400,000. You both die in a car accident. We will pay \$200,000 from both you and your partner's Death Benefit Sum Insured to the Westpac Loan and \$200,000 to both you and your partner's individual estates.*

Living Benefit

The Living Benefit Sum Insured will be firstly paid to your Westpac Loan and any remaining benefit will be paid to you. This also applies to Joint Policies.

When a Living Benefit is paid, the Death Benefit Sum Insured are reduced by the amount of the Living Benefit paid for that Insured Person, and the Living Benefit ends. Your premium will reduce accordingly.

Example: *Your policy has a Death Benefit Sum Insured of \$600,000 and you select a Living Benefit equal to 50% of the Death Benefit. You therefore have a Living Benefit Sum Insured of \$300,000.*

You suffer a stroke for the first time. We pay \$300,000 to you and the Death Benefit Sum Insured is reduced to \$300,000.

Exclusions

We will not pay for any claim:

- which is directly or indirectly related to the insured's use of alcohol, non-prescribed drugs or drugs taken in excess of prescribed amounts; or
- for any Pre-existing condition (see page 14).

Death Benefit

We will not pay a Death Benefit (including Terminal Illness) if the Insured Person dies by their own hand within 13 months of the date:

- cover started;
- cover recommenced (if it had lapsed); or
- cover is increased under the policy, but only in respect of the amount of the increase.

Living Benefit

We will not pay a Living Benefit:

- if the medical condition or event giving rise to the claim is caused directly or indirectly by any Injury which was self-inflicted or deliberately caused by the Insured Person (whether sane or insane at the time).

- for any heart attack, cancer, stroke or coronary artery bypass surgery which occurs within three (3) months of the date:
 - cover started;
 - cover recommenced (if it had lapsed); or
 - cover is increased under the policy, but only in respect of the amount of the increase.

Benefit Limits

Mortgage Secure pays a maximum of one (1) Death Benefit (including Terminal Illness), and one Living Benefit (where selected) for each Insured Person on the policy.

The maximum amount payable for each Insured Person under a Mortgage Secure policy is the Death Benefit Sum Insured, or \$750,000, whichever is the lesser.

The maximum Living Benefit payment is the Living Benefit Sum Insured, or \$375,000, whichever is the lesser.

Cancelling your policy

During the cooling-off period

When you receive your insurance documents, please read them carefully as you have until the earlier of:

- 19 days from the day your insurance commenced; or
 - 14 days after you receive your insurance documents,
- to check that Mortgage Secure meets your needs. If you are not satisfied you can cancel the policy by writing to us.

We will refund any payments you have made (less any tax that may apply to your premium).

After the cooling-off period

You may cancel the policy at any time by writing to us.

We will refund up to two (2) months premium if your Mortgage Secure policy is replaced with another Westpac Life or BT Life Protection Plan insurance policy sold through a Westpac Financial Planner.

When your Westpac Loan is closed

If the Westpac Loan is closed, your cover will continue with the same benefits and terms, unless you ask us to cancel your policy.

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**Important
information.**

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Important information.

Your duty of disclosure

You should consider whether Mortgage Secure provides the cover you need.

You are required by law to be truthful in your communications and dealings with us. In addition, you may find yourself uninsured or underinsured under this policy if you do not comply with your duty of disclosure (see below).

Under the Insurance Contracts Act, you have a duty (before you enter into a contract of life insurance with an insurer) to complete a Mortgage Secure application honestly and to disclose to Westpac Life your correct:

- date of birth,
- gender, and
- smoking status.

If you fail to comply with your duty of disclosure, and Westpac Life would not have insured you on any terms if the failure had not occurred, Westpac Life may invalidate your policy within three (3) years of the issue date. If your nondisclosure or misrepresentation is fraudulent Westpac Life may invalidate your policy at any time. Westpac Life also has the option to reduce your Sum Insured within three (3) years of the issue date if it has not avoided the contract in the circumstances above.

Commission

Westpac Banking Corporation and its agents will receive up to 20% of premiums from us for providing information and support in the sale of Mortgage Secure. The commission payable to Westpac Banking Corporation or its agents is paid by us out of the premium we receive and is not an additional cost to you.

When a representative of Westpac Banking Corporation provides information on Mortgage Secure and you decide to apply for the insurance, he or she may benefit indirectly because these applications play a part in their overall performance. Good overall performance on their part can qualify them for bonus payments. Any such bonus payments are not an additional cost to you.

Taxation

Generally, premiums for Mortgage Secure insurance are not tax deductible, nor are any benefits taxable.

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.

Privacy

We respect your privacy

If you do not wish to receive further marketing communication from any member of the Westpac Group* about products and services, please

- call us on **132 032**; or
- write to GPO Box 3433, Sydney, NSW, 2001; or
- call in to any Westpac Branch.

Protection of 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 and its reinsurers ('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.

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 other entities where it is required or allowed by law or where you have otherwise consented.

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

10. Important information.

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 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.

Enquiries and Complaints

If you have an enquiry or complaint, please address it in writing to:

Mortgage Secure Insurance
Customer Relations Centre
Westpac Life Insurance Services Limited
GPO Box 524, Sydney NSW 2001

Where you have a complaint, we will 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

Other information about Mortgage Secure

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), and none of these companies guarantee the insurance benefits under the policies.

No cash value

This is not a savings plan.

This product does not allow you to share in any profit or surplus and your policy does not have a surrender or cash value. If you cancel your insurance at any time except within the cooling-off period, you will not be entitled to any refund of premium or payment, unless your

Mortgage Secure policy is replaced with another Westpac Life or BT Life Protection Plan insurance policy sold through a Westpac Financial Planner, in which case we will refund up to two (2) months premium.

Where we put your money

We pay your premiums into a statutory fund called the Westpac Life Insurance Services Limited Statutory Fund Number 1, and benefits under your policy are paid out from that fund.

The Life Insurance Act 1995 contains rules designed to protect the money in the fund.

Relevant Law

This policy is governed by the laws of Australia.

Currency

All dollar (\$) amounts referred to are in Australian currency. Claims and premiums are payable in Australian dollars.

10. Important information.

Interim Accidental Death Cover

We provide Interim Accidental Death Cover while we are considering your application for a Westpac Loan.

The people nominated as Insured Persons for your Mortgage Secure policy will be the Insured Persons under this Interim Accidental Death Cover.

Commencement of Interim Accidental Death Cover

Cover commences when a fully completed Mortgage Secure application form in respect of each Insured Person has been signed, dated and received by the Home Finance Manager or a representative or agent of Westpac Banking Corporation on behalf of Westpac Life. There is no additional premium for this cover.

Period of Interim Accidental Death Cover

Cover will end on the earliest of the occurrence of one of the following:

1. 90 days from the date this cover commences;
2. the date you draw on your Westpac Loan;
3. in respect of each Interim Accidental Death Benefit for each Insured Person, the date Westpac Banking Corporation declines your Westpac Loan application, which also has the effect of cancelling your Interim Accidental Death Cover;
4. in respect of each Interim Accidental Death Benefit for each Insured Person, the date your Westpac Loan application is withdrawn;
5. in respect of each Interim Accidental Death Benefit for each Insured Person, the date Westpac Life advises you that the Interim Accidental Death Cover has ceased;
6. in respect of each Interim Accidental Death Benefit for each Insured Person, the date Westpac Life pays the Accidental Death Benefit; and
7. in respect of a Joint Policy, the date Westpac Life pays one Accidental Death Benefit.

Cover provided for Interim Accidental Death Benefit

The Accidental Death Benefit is payable if you die as a result of an Accident whilst the Interim Accidental Death Cover is in-force.

The Accidental Death Benefit will be paid to:

- your estate, or
- the surviving Insured Person if you are an Insured Person on a Joint Policy.

Interim Accidental Death Exclusions

We will not pay a benefit if the death of the Insured Person results directly or indirectly, or is in any way relating to:

- the Insured Person's suicide or intentional self inflicted Injury (whether sane or insane at the time);
- 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 any motorised transportation 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 Person, that pre-exists the Accident;
- the Insured Person engaging in aviation except as a fare-paying passenger on a scheduled airline service;
- the Insured Person's voluntary or involuntary participation in any riot, strike, civil commotion, coup, revolution, insurrection by any act of war whether declared or not (except where the Insured Person dies on active military service); or
- the Insured Person 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.

Interim Accidental Death Claims

Only one Interim Accidental Death Benefit for an Insured Person will be paid in respect of any one Accident. The cost of obtaining medical or other evidence that is required for the payment of an Interim Accidental Death Benefit claim is to be met by you.

10. Important information.

Definitions

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.

Bodily Injury – physical damage to the body sustained as a result of an external traumatic occurrence.

Disease – a disease or medical condition is an abnormal condition of an organism that impairs bodily functions, associated with specific symptoms and signs. It may be caused by external factors or by internal dysfunctions.

Illness – see Sickness.

Injury – means an Accidental Bodily Injury which is sustained by the Insured Person.

In-force – when the application or proposal has been accepted and the policy is agreed and accepted.

Insured Person and you – the person whose life is insured under this policy and is the person who has the rights and control to apply to change, cancel or extend this policy

Interim Accidental Death Benefit – an interim policy that is in-force while the Westpac Loan is being assessed and not drawn down. The Benefit of the Insured Person is as it appears on the Mortgage Secure application.

Joint Policy – a policy where two (2) individuals who are listed on the Westpac Loan agree to enter into a Mortgage Secure policy together. Discounts apply to both the premiums charged and the policy fee.

Loan Commitment – is the Westpac Loan amount that has been approved and the mortgagee is obligated to repay.

Pre-existing condition – see page 14 for definition.

Review Date – is the anniversary each year of the policy's commencement date.

Sickness – means a Sickness, Illness or Disease. A Sickness is taken to have first become apparent when:

- a doctor first gave the Insured Person advice, care or treatment for the Sickness; or
- the Insured Person first had Symptoms of the Sickness for which a reasonable person in the same circumstances would have sought advice, care or treatment from a doctor.

Sum Insured – the amount that has been agreed to be covered, as shown in the policy schedule, by Westpac Life under this policy.

Symptom – is a departure from normal function or feeling which is noticed by the Insured Person, indicating the potential presence of Sickness or abnormality. The Symptom is taken to have existed when first noticed by the Insured Person.

Terminal Illness – see page 10 for definition.

Westpac Life, we, us and our refer to Westpac Life Insurance Services Limited ABN 31 003 149 157.

Westpac Loan means a home or investment property loan for which you have applied with Westpac Banking Corporation, ABN 33 007 457 141, in relation to which you are applying for Mortgage Secure.

Medical conditions covered under the Living Benefit

If you have selected the optional Living Benefit, you will be covered for the following medical trauma conditions or events:

Cancer

A malignant tumour pathologically confirmed and characterised by:

- the uncontrolled spread of malignant cells; and
- the invasion of normal tissue.

Also covered are Hodgkin's disease, lymphoma, colorectal cancer (from Dukes stage A) and leukaemia.

The following cancers are specifically excluded:

- (a) all skin cancers except metastatic squamous cell carcinomas or melanomas of 1.5 millimetres or more in thickness or Clark Level 3 or more depth of invasion;
- (b) all tumours which are histologically described as micro-carcinoma, pre-malignant or showing the malignant changes of 'carcinoma in situ', including cervical dysplasia rated as CIN 1, 2 or 3; ('carcinoma in situ' of the breast is covered if it results directly in the removal of the entire breast. This procedure must be performed specifically to arrest the spread of malignancy and be considered the appropriate and necessary treatment);
- (c) chronic lymphocytic leukaemia (less than RAI stage 1); and

10. Important information.

- (d) prostatic tumours which are histologically described as TNM classification T1 (including T1a, T1b and T1c) or are of another equivalent or lesser classification (prostate cancer is covered if it results directly in total prostatectomy. This procedure must be performed specifically to arrest the spread of malignancy and be considered the appropriate and necessary treatment).

Coronary Artery Bypass Surgery

Coronary Artery Bypass Surgery with the use of bypass graft(s) to one or more coronary arteries for treatment of coronary artery disease. The surgery must be the most appropriate treatment for the disease. All non-surgical procedures such as angioplasty, laser or other intra-arterial techniques are excluded.

Heart Attack

The occurrence of an acute myocardial infarction, which means the death of a portion of the heart muscle due to inadequate blood supply as evidenced by:

- (a) new electrocardiogram changes associated with myocardial infarction; and
- (b) the elevation above the laboratory's upper limit of normal of the biochemical markers (such as troponin or cardiac enzymes) indicative of myocardial infarction.

If the above tests are inconclusive or superseded by technology advances, we will consider other appropriate and medically recognised tests in support of a diagnosis as confirmed by a consultant cardiologist.

Lesser acute coronary syndromes including unstable angina and acute coronary insufficiency are excluded as part of this definition.

Loss of Independent Existence

As a result of a Sickness or Injury the Insured Person:

- (a) has a permanent and irreversible inability to perform, without assistance, any two (2) of the Activities of Daily Living (see page 41); or
- (b) suffers cognitive impairment that requires permanent and constant supervision, which must be established and the diagnosis reaffirmed after a continuous period of at least six (6) months of such impairment.

Definition of Activities of Daily Living

- 1. Bathing – the ability to shower or bathe.
- 2. Dressing – the ability to put on or take off clothing.
- 3. Toileting – the ability to use a toilet, including getting on or off.
- 4. Mobility – the ability to get in and out of bed and a chair.
- 5. Continence – the ability to control bladder and bowel function.
- 6. Feeding – the ability to get food from a plate into the mouth.

Paralysis

The total and permanent loss of use, through Injury or Sickness, of:

- (a) both legs (paraplegia);
- (b) both arms and legs (quadriplegia);
- (c) one side of the body (hemiplegia); or
- (d) both sides of the body (diplegia).

Stroke

Any cerebrovascular accident or incident resulting in neurological deficit that lasts for at least 24 hours, as confirmed by a consultant neurologist. There must be clear evidence on a CT, MRI or similar scan that a stroke has occurred to our satisfaction.

The following are excluded:

- (a) transient ischaemic attacks;
- (b) symptoms due to migraine;
- (c) vascular disease of the optic nerve;
- (d) physical head Injury;
- (e) reversible neurological deficit; and
- (f) any blood vessel incident outside the cranium, except embolism resulting in stroke.

10. Important information.

Contact details

Customer Relations Centre

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Monday to Friday, 8.00am to 6.30pm (Sydney time)

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