



Living Expenses
Insurance



Guardian Living Expenses Insurance is issued by Hannover Life Re of Australasia Ltd (Hannover) ABN 37 062 395 484 of Level 7, 70 Phillip Street, Sydney NSW 2000 as insurer.

Guardian Insurance products are distributed and promoted by Hollard Financial Services Pty Ltd (HFS) ABN 53 128 692 884, Australian Financial Services Licence 343079 of Level 38, 2 Park Street, Sydney NSW 2000.

Guardian Insurance is a trading name of HFS.

From time to time, Guardian Living Expenses Insurance may be updated. Updates which are not materially adverse to you may be found on the Guardian Insurance website guardianinsurance.com.au. If you request a paper copy, this will be provided to you free of charge.

Welcome to Guardian Insurance

At Guardian Insurance we are focused on providing a wide range of insurance products with substantial benefits that represent true value for Australian families at all stages of their lives.

When you choose Guardian Insurance you'll find all our communications are straightforward, and our insurance consultants are professionals who are here to work with you in a way that suits your needs.

Guardian Insurance is a trading name of Hollard Financial Services (HFS), which is part of the international Hollard Group of companies. HFS has partnered with Hannover Life Re of Australasia Ltd which is the insurer of the Guardian range of products.

The Hollard Insurance Group is South Africa's largest privately owned insurance and investment business. With assets of AU\$2.4 billion, Hollard provides a wide range of insurance products and services to more than 6.5 million insurance customers in Australia, throughout Africa, United States, United Kingdom and South East Asia. Hollard has had a presence in the Australian market since 1999, and currently has more than 300,000 Australian insurance customers.

Hannover is the insurer of the Guardian products. It is a wholly-owned subsidiary of Hannover Re and is part of the Hannover Re Group worldwide. Hannover Re is presently the 3rd largest global life reinsurer and has a Standard and Poor's Insurer Financial Strength of AA- (Very Strong), and A.M. Best rating of A (Excellent), and has maintained these ratings for a number of years. The life insurance business of Hannover has been operating in the Australian market since 1958, and as at 31 December 2010 had total annual in force premium in excess of AU\$450 million.

Both Hollard and Hannover are regulated by the Australian Prudential Regulatory Authority (APRA).

We understand that selecting life insurance to provide financial security for yourself and your family is an important financial decision. When you choose Guardian, you can rest assured that your benefits are secure for the long term.

There's more to life, with Guardian

What's included in
this document?



Contents

Product Disclosure Statement (PDS)	7
Explaining this PDS	7
Introducing Guardian Living Expenses Insurance	7
Your Insurance Policy	7
Living Expenses Insurance	8
What is Living Expenses Insurance?	8
Living Expenses Insurance eligibility	8
Living Expenses Insurance Benefit amount	8
Living Expenses Insurance benefit payment	8
Living Expenses Insurance premiums	10
Living Expenses Insurance exclusions	11
Living Expenses Insurance start and end	11
Children's Insurance option	12
What is Children's Insurance?	12
Children's Insurance eligibility	12
Children's Insurance Benefit amount	12
Children's Insurance benefit payment	12
Children's Insurance premiums	12
Children's Insurance exclusions	14
Children's Insurance start and end	14
General information	15
Your 30 day money back guarantee	15
Automatic sum insured increases	15
Further Insurance options	15
Premiums	15
Premium payments and deductions	15
Changing your Insurance	15
Policy cancellation	16
Insurance risks	16
Benefit payments	16
Claims	16
Taxation	16
Complaints resolution	17
Privacy	17
Duty of disclosure	18
Glossary	19
Direct Debit Service Agreement	22



Product Disclosure Statement (PDS)

Explaining this PDS

This Product Disclosure Statement (PDS) is designed to help you decide if Living Expenses Insurance is right for you. It tells you the terms and conditions applying to a Living Expenses Insurance Policy and it also provides important information about keeping premium payments up to date, what to do if you want to make a change and how to go about making a claim.

Any advice given in this PDS is general only and does not take into account your individual objectives or financial situation. You should consider whether this product is right for you, in regard to your objectives, financial situation and needs. You should carefully read this and any other documentation we send you.

Living Expenses Insurance is issued by the insurer, Hannover Life Re of Australasia Ltd (**Hannover**). Hannover has sole responsibility for the PDS, the Policy and the assessment and payment of claims.

Guardian Living Expenses Insurance is not issued or guaranteed by HFS, and HFS is neither included, nor liable, in any manner in respect of the assessment and payment of benefits under Guardian Living Expenses Insurance. HFS has consented to being named in this PDS in the form and context in which it appears and has not withdrawn this consent before the date of this PDS.

In this PDS, some words or expressions have special meaning. They normally begin with capital letters and their meaning is explained in the **"Glossary"** on page 19 of this PDS.

In this PDS, references to we, us and our mean Hannover Life Re of Australasia Ltd.

Introducing Guardian Living Expenses Insurance

Living Expenses Insurance offers a number of insurance combinations to suit your needs.

There's Living Expenses Insurance – broadly, this insurance provides a monthly Income Benefit if as a direct result of a Disabling Sickness or Injury you are temporarily disabled – which you can apply for on its own. In addition to the monthly Income Benefit, a Premium Waiver benefit and a Hospital Cash benefit are provided under the Policy.

You can apply for Living Expenses Insurance on its own and you also have the option to add Children's Insurance which pays a lump sum benefit in the event of Accidental Death or Paralysis, Blindness, Deafness, Total and Permanent Loss of Use of Two Limbs, Encephalitis, Meningitis or Major Head Trauma of the Insured Child.

There are certain circumstances in which an Income benefit will not be paid. Importantly, a benefit will not be paid for a Pre-existing Medical Condition.

A full explanation of these benefits, and the terms and conditions of applying are contained in this PDS.

With Living Expenses Insurance, you are protected 24 hours a day, 7 days a week, worldwide provided you remain an Australian Resident.

Your Insurance Policy

If your application is accepted by us, we will issue you a Policy Schedule. Your Insurance Policy consists of the Policy Schedule and:

- this PDS (which includes the terms and conditions applying under your Policy);
- the application/s; and
- any special conditions, amendments or endorsements we issue to you.

Please keep these documents in a safe place for future reference. The Insurance provided under this Policy is written out of the Hannover Australian statutory fund.

Living Expenses Insurance

What is Living Expenses Insurance?

Living Expenses Insurance pays an Income Benefit if you are temporarily disabled due to a Disabling Sickness or Injury for longer than your 30 day Waiting Period. In addition there is also a hospital cash benefit, which pays a benefit of \$100 per day for up to 10 days while you are hospitalised as the direct result of an Accident.

Living Expenses Insurance eligibility

You can apply for Living Expenses Insurance if you are an Australian Resident aged between 18 and 59.

Living Expenses Insurance Benefit amount

The minimum monthly Income Benefit that you can apply for is \$1,000. The maximum monthly Income Benefit that you can apply for is \$3,500.

Living Expenses Insurance benefit payment

We will pay the benefits explained below except in the circumstances explained in **"Living Expenses Insurance exclusions?"** on page 11.

Income Benefit

We will pay the Income Benefit as a monthly amount if you:

- suffer a Disabling Sickness or Injury while covered under the Policy; and
- remain continuously Disabled during the 30 day Waiting Period; and
- are continuously Disabled after the end of the 30 day Waiting Period.

Disabling Sickness or Injury means due to a Sickness or Injury occurring after the Acceptance Date you are:

- If the Life Insured is aged under 65 years of age and working 20 hours or more per week – unable to attend or engage in your usual occupation
- If the Life Insured is aged under 65 years of age and not working or working less than 20 hours per week – unable to perform at least three of the Domestic Duties
- If the Life Insured is aged 65 or over irrespective of work status – unable to perform at least 2 of the Activities of Daily Living without the physical assistance of someone and without the use of special equipment


The Sickness or Injury must be diagnosed by a Medical Practitioner and confirmed by medical specialists nominated by us.

The Income Benefit is payable monthly in arrears during the Benefit Period, with the first payment occurring one month after the end of the 30 day Waiting Period. For partial months the amount paid will be at the rate of 1/30th of the Income Benefit for each day the Life Insured suffers a Disabling Sickness or Injury after the end of the 30 day Waiting Period.

Example: Your first payment would be 60 days after you were first eligible to claim (the 30 day Waiting Period plus 30 days because claims are paid in arrears).

Benefit Period

The Benefit Period is the maximum period of time that the Income Benefit will be paid for any one Disabling Sickness or Injury claim you make under your Bill Insurance. When you apply for cover, you can choose a 6 month, 1 year or 2 year Benefit Period.



Living Expenses Insurance pays an Income Benefit if you are temporarily disabled due to a Disabling Sickness or Injury for longer than your 30 day Waiting Period.

The Benefit Period starts at the end of the Waiting Period and continues until the earliest of:

- the end of the Benefit Period shown on the Policy Schedule; or
- the date you are no longer Disabled; or
- the Policy Anniversary following your 75th birthday; or
- the date your Policy ends.

Your Policy Schedule will show the Benefit Period you have chosen.

Income Benefit amount

We will continue to pay you the Income Benefit until the earliest of:

- the Benefit Period ends; or
- the Policy ends; or
- your death; or
- you are no longer under the regular care of a Medical Practitioner with regard to treatment of the Disabling Sickness or Injury; or
- you are no longer following the treatment recommended by a Medical Practitioner at such intervals and frequency as will lead to a cure, alleviation, or minimisation of the condition causing the Disabling Sickness or Injury.

Recurrent disability benefit

If you suffer a Disabling Sickness or Injury from the same or a related cause as a Disabling Sickness or Injury which was the subject of an earlier claim for the Income Benefit, it will be considered a continuation of the earlier claim. This means that a new Waiting Period will not apply, but the Income Benefit is only payable for the balance, if any, of the Benefit Period.

Limit on Income Benefit

The monthly Income Benefit payable under the Policy cannot exceed:

- \$3,500; plus
- any automatic sum insured increases under the Policy.

You are only entitled to one Income Benefit payable at any one time under this cover, even if you suffer more than one Sickness or Injury giving rise to the claim.

If you are covered under more than one Living Expenses Insurance policy, we will apply this limit to the total of the Income Benefits payable under all Living Expenses Insurance policies held by you. Any reduction in the Income Benefit will be applied to the Policy most recently commenced and we will refund the premiums paid referable to the amount by which the Income Benefit is reduced.

Hospital Cash benefit

Included in your Living Expenses Insurance Policy is a Hospital Cash benefit. If you are hospitalised as a direct result of an accident for more than 48 consecutive hours during the Waiting Period, we will pay \$100 for each day (including the first 48 consecutive hours) you are hospitalised during the Waiting Period, for up to 10 days.

Living Expenses Insurance premiums

Premiums are the cost of your Insurance. The premium you are required to pay when the Policy starts is shown on your Policy Schedule.

Your premium is calculated at each Policy Anniversary and is based on:

- your age, gender and smoking status at that time;
- whether you are working, and if so, your occupation;
- the Income Benefit; and
- the Benefit Period.

For a premium estimate you should contact a **Guardian Insurance Consultant** on **1300 70 9431**.

Premium Waiver

You do not have to pay your premium for any period during which the Income Benefit is payable. If we receive your completed claim form within 30 days from the start of your Sickness or Injury and the Income Benefit is payable, we will also refund the portion of the premium you have paid in the Waiting Period.

Living Expenses Insurance exclusions

We will not pay an Income Benefit in respect of a claim for a Disabling Sickness or Injury occurring directly or indirectly from:

- a Pre-existing Medical Condition; or
- a Mental Disorder or Illness; or
- an intentional self inflicted act; or
- attempted suicide; or
- the consumption of drugs (unless it was under the direction of a Medical Practitioner and not in connection with treatment for substance abuse, drug addiction or dependence); or
- the consumption of intoxicating liquor, including having a blood alcohol content over the prescribed legal limit whilst driving; or
- aviation except as a fare-paying passenger on a commercial airline; or
- activity at a height 20 metres or more above ground or at a depth of 30 metres or more below ground or underwater; or
- willing and knowing exposure to the risk of Sickness or Injury for gain, reward or regular remuneration; or
- normal pregnancy (including participation in an IVF or similar program, normal discomforts such as morning sickness, backache, varicose veins, ankle swelling or bladder problems), giving birth, miscarrying or having a pregnancy terminated; or
- war (whether declared or not) or war-like activity, or taking part in a riot or civil commotion; or
- engaging in any criminal activities or illegal acts.

Living Expenses Insurance start and end

If your application for Living Expenses Insurance is accepted by us, your cover starts on the Acceptance Date set out in the Policy Schedule. Your first premium is deducted from the Commencement Date, which is also set out in the Policy Schedule.

We guarantee to renew your Living Expenses Insurance (provided you pay your premiums when due) until you attain age 75.

Your Living Expenses Insurance ends when the first of the following occurs:

- the Policy Anniversary following your 75th birthday; or
- the date the Policy ends; or
- your death; or
- the date you cancel the Policy; or
- the date we cancel the Policy; or
- you are no longer an Australian Resident.

Children's Insurance Option

This option is available with Living Expenses Insurance. You only have this cover if we accepted your application and it is shown in your Policy Schedule.

What is Children's Insurance?

Children's Insurance provides a benefit in the event of Accidental Death, Paralysis, Blindness, Deafness, Total & Permanent Loss of Use of Two Limbs, Encephalitis, Meningitis or Major Head Trauma of an Insured Child under the Policy. These medical conditions are defined in the **"Glossary"** on page 19.

Children's Insurance eligibility

You can apply for this Insurance cover for a child of yours if the child is aged between 2 and 17 years of age, and an Australian Resident.

Children's Insurance Benefit Amount

You can apply for a Benefit Amount from \$20,000 up to a maximum of \$50,000 for each Insured Child under the Policy (in increments of \$10,000).

Children's Insurance benefit payment

We will pay the benefit explained below if the Insured Child suffers an insured event; namely Accidental Death, Paralysis, Blindness, Deafness, Total & Permanent Loss of Use of Two Limbs, Encephalitis, Meningitis or Major Head Trauma while covered under the Policy except in the circumstances explained in **"Children's Insurance exclusions"** on page 14.

Accidental Death

We will pay the Children's Insurance Benefit Amount as a lump sum in the case of Accidental Death of the Insured Child.

Serious injury or illness

We will pay the Children's Insurance Benefit Amount as a lump sum in the event the Insured Child suffers Paralysis, Blindness, Deafness, Total & Permanent Loss of Use of Two Limbs, Encephalitis, Meningitis or Major Head Trauma as a result of injury or illness while covered under the Policy, providing the Insured Child survives for fourteen (14) days after the day the injury occurs or illness is contracted except in the circumstances explained in **"Children's Insurance exclusions?"** on page 14.

The injury or illness condition must be diagnosed by a Medical Practitioner and confirmed by our medical advisers.

Limit on benefits

Only one Benefit Amount is payable per Insured Child. The total benefit payable cannot exceed \$50,000 for each Insured Child, plus any automatic sum insured increases.

If the Insured Child is covered for Children's Insurance under more than one Living Expenses Insurance Policy, we will apply this limit to the total of the Children's Insurance Benefit Amounts payable for the Insured Child under all Living Expenses Insurance policies. Any reduction in the Children's Insurance Benefit Amount will be applied to the Children's Insurance most recently commenced and we will refund the premiums paid referable to the amount by which the Children's Insurance Benefit Amount is reduced.

Children's Insurance premiums

The premium you are required to pay for this option when the Policy starts is shown in your Policy Schedule.

The premium is calculated at each Policy Anniversary and is based on the Benefit Amount provided for each Insured Child.

For a premium estimate you should contact a **Guardian Insurance Consultant** on **1300 70 9431**.



You can apply for this Insurance cover for a child of yours if the child is aged between 2 and 17 years of age, and an Australian Resident.

Children's Insurance exclusions

We will not pay a Benefit Amount if the Insured Child suffers Paralysis, Blindness, Deafness, Total & Permanent Loss of Use of Two Limbs, Encephalitis, Meningitis or Major Head Trauma directly or indirectly as a result of:

- a Congenital Condition; or
- the intentional act of the Policyowner or person who will otherwise be entitled to all or part of the Benefit Amount; or
- an injury which occurs or an illness which becomes apparent, before the Children's Insurance for the Insured Child starts, or during the first three (3) months after the date that the Children's Insurance for the Insured Child starts or, if reinstated, the reinstatement date. We will pay for any new and unrelated occurrence of Paralysis, Blindness, Deafness, Total & Permanent Loss of Use of Two Limbs, Encephalitis, Meningitis or Major Head Trauma suffered by an Insured Child after this three (3) month period, while covered under the Policy.

Children's Insurance start and end

If your application for Children's Insurance is accepted by us at the Commencement Date then the Children's Insurance starts on the Acceptance Date. If we agree to add Children's Insurance to your Policy after the Commencement Date, we will advise you of the date the Children's Insurance starts.

The Children's Insurance ends for an Insured Child when the first of the following occurs:

- the date of death of the Insured Child; or
- the date of payment of a Children's Insurance Benefit Amount for the Insured Child; or
- the date you cancel the Policy; or
- the date we cancel the Policy; or
- the date you cancel this cover; or
- the Policy Anniversary following the attainment of age 21 by the Insured Child.

General Information

Your 30 day money back guarantee

You have 30 days from the Commencement Date to make sure you are happy with the Policy, and decide whether you want to keep it. This is known as the “cooling-off” period. If you want to cancel your Policy within this 30 day period you may do so provided you have not made a claim under the Policy. Please send your Policy Schedule to **Guardian Customer Service**, PO Box 6728, Baulkham Hills NSW 2153 with a written request within the 30 day period. When your letter and Policy Schedule are received, the Policy will be cancelled, and any premiums you may have paid will be refunded.

Automatic sum insured increases

To help your level of insurance keep up with the cost of living, your Insurance and all optional benefits (if applicable) are automatically increased on each Policy Anniversary by 5%.

Automatic increases will continue even where the maximum Insurance amount is met or exceeded.

We will send you an updated Policy Schedule each year your Policy remains in force 30 days prior to your Policy Anniversary setting out your updated Insurance amounts and premium. You can decline the automatic increase by writing to **Guardian Customer Service**, PO Box 6728, Baulkham Hills NSW 2153. If you decline the automatic increase, the updated Policy Schedule we sent you will not be valid and we will send you a replacement Policy Schedule.

If you choose not to accept an increase in any given year, it will not affect your entitlement to them in the future.

Further Insurance options

We may offer you the option of incorporating further Insurance benefits under your Policy. If you accept such offers, we will issue you with a new Policy Schedule setting out the important details about the Insurance option.

Premiums

We may change the premium rates applying to your Policy, but only if we change the premium rate applying to all (or the same group of) Living Expenses Insurance policyowners. We will send written notice of any change to you (to your last address notified to us) at least 90 days before the effective date of the change.

Premium Payments and deductions

Your premium will be debited on the date of your choice, either fortnightly, monthly or annually. The date on which your first premium is deducted will become your Policy Commencement Date. You can pay either by automatic debit from your bank, credit union or building society account or by charge to your credit card.

You may apply at any time in writing or by phone to change the method of payment of premiums. Payment frequency changes can only be made on the Policy Anniversary following the request.

All payments made in connection with this Policy must be made in Australian currency.

Changing your Insurance

You may apply at any time in writing to:

- decrease your Insurance;
- increase your Insurance; or
- change your status from a smoker to a non-smoker, for the purpose of determining the Insurance premium rating. You must provide a completed declaration form.

Any change and the terms and conditions relating to the change are subject to approval and written confirmation by us.

Policy cancellation

If you don't pay your premium when it is due and it remains unpaid for more than one month your Policy could be cancelled. It may be reinstated within six months of the date that the Policy was cancelled, but only if we agree and subject to any terms and conditions we might require.

The Policy will be cancelled if the Policyowner is on a temporary work visa and ceases to reside in Australia.

You can cancel your Policy by writing to **Guardian Customer Service**, PO Box 6728, Baulkham Hills NSW 2153, giving 30 days notice.

Insurance risks

There are a number of insurance risks you should be aware of, including:

- you need to select the correct Insurance product and apply for the appropriate level of cover for your needs. If you do not have enough cover it might cause you or your family to suffer financial hardship even after receiving the benefit payment;
- if you are replacing a contract or policy with another contract or policy, you should consider all the terms and conditions of each policy before making a decision to change.

Benefit payments

We will make all Income Benefit payments to you. If a Children's Insurance benefit applies it will be paid to you.

All benefits paid in connection with this Policy will be made in Australian currency.

Claims

If you (or your legal personal representative on your death) wish to claim under this Policy, please phone **1300 73 7697** or write to **Guardian Customer Service**, PO Box 6728, Baulkham Hills NSW 2153. You will be sent a form to be completed, signed and returned. We may also require your treating doctor or specialist to complete a form at your expense.

The Policy and the Insurance for the benefit must be in force when the insured event occurs.

Claims should be made as soon as possible after the event giving rise to the claim. If you do not notify us within 120 days after the event giving rise to the claim, and we are disadvantaged by the delay, we may be able to reduce the amount we would otherwise pay, or we may be able to refuse to pay the claim.

Before a claim is payable we must receive proof, provided at your expense and to our satisfaction, that the insured event has occurred. In addition:

- the insured event must be confirmed by one or more medical specialists nominated by us; and
- all relevant information, including any test, examination, or laboratory results, must be provided to us.

We may be entitled to refuse to pay the benefit under this Policy if a claim is made more than 120 days after the insured event giving rise to the claim without good cause or if we do not have evidence to our satisfaction of the applicable insured event.

We reserve the right to require you to undergo, at our expense, examinations or other reasonable tests to confirm the occurrence of an insured event or entitlement to claim. In addition we may conduct investigations to assess the validity of the claim. This could involve the use of investigation agents and surveillance, legal advisers and the collection of personal data.

Taxation

The Income Benefit will generally be considered income. Therefore the premiums in respect of the Income Benefit may be tax deductible and benefits paid will generally be assessable as income.

In most cases the premium for the Children's Insurance will not be tax deductible and tax will not be payable on a payment of these benefits under your Policy.

This information is based on continuance of present tax laws and our interpretation of those laws. Your individual situation may differ and you should seek qualified professional advice in relation to your particular circumstances.

Complaints resolution

We hope that you never have reason to complain, but if you do we will do our best to work with you to resolve it.

Please phone or write to our Internal Complaints Resolution Officer, as follows:

- Phone:** **1300 70 9431**
(Weekdays between 8:00am and 8:00pm)
- Writing:** Internal Complaints Resolution Officer
Guardian Living Expenses Insurance
PO Box 6728
Baulkham Hills NSW 2153
- Email:** enquiries@guardianinsurance.com.au

Please supply your Policy number to enable the enquiry to be dealt with promptly. Your complaint or enquiry will be dealt with by someone with appropriate authority.

Receipt of your complaint will be acknowledged within 2 working days of receipt in all cases. However, where additional specific information is requested by us from a third party, a full answer to your complaint will follow as soon as possible after the acknowledgment letter.

In the unlikely event that your complaint is not resolved to your satisfaction, or your complaint has not been resolved within 45 days, please contact the Financial Ombudsman Service (FOS) at:

Financial Ombudsman Service

- Mail:** GPO Box 3, Melbourne VIC 3001
- Phone:** 1300 780 808 (local fee applies)
- Fax:** (03) 9613 6399
- Website:** www.fos.org.au
- Email:** info@fos.org.au

A decision of FOS is binding on us (up to specified limits) but not on you. It is a service provided without cost to you.

Privacy

We, or Guardian Insurance on our behalf, may collect personal information directly from you through the application process or, where that is not reasonably practical, from other sources.

Your personal information is collected for the purpose of processing your application, administering your Policy and assessing and paying any claims under the Policy. It may also be collected to consider any other application you may make, or to perform our administrative operations (including for example, accounting, risk management, staff training etc). Information may be provided to Guardian Insurance to assist them in developing and identifying products and services that may interest you and (unless you ask them not to) telling you about Guardian Insurance products and services offered by Guardian Insurance.

Your personal information may be disclosed to third parties who assist in the above (i.e. Guardian Insurance, reinsurers, related companies, our advisers, persons involved in claims, medical service providers, external claims data collectors and verifiers, your employer, your agents and other persons where required by law).

By applying for cover, you consent to sensitive information about you being collected and it being used to consider your application for Insurance, assess a claim, using it or giving it to related companies for research and analysis, to design or underwrite new insurance products, and disclosing it to any of the third parties listed above for these purposes. Your sensitive information will not be disclosed for any other purpose. Third parties are prohibited from using your personal information for purposes other than those for which it is supplied. If you wish to gain access to your information (including correcting or updating it), have a complaint about a breach of your privacy or have any other query relating to privacy please call **1300 70 9341** Monday to Friday, 8:00am – 8:00pm.

Duty of disclosure

You have a duty of disclosure under law to tell us anything you know, or could reasonably be expected to know, which is relevant to our decision as to whether to insure you and other Lives Insured and on what terms. You have the same duty to disclose those matters before you extend, vary or reinstate this Policy. You do not need to tell us anything that:

- reduces our risk;
- is of common knowledge;
- we know, or as an insurer, should know; or
- we indicate we do not want to know.

If you fail to comply with your duty of disclosure and we would not have issued the Policy (or accepted your application to extend or reinstate your Policy) on any terms if you had complied with your duty, we may avoid the Policy within 3 years of the Acceptance Date of your Policy (or the date we agreed to increase a Benefit Amount, include an optional benefit, or reinstate the Policy, as applicable). This means we could refuse to pay a benefit.

If the non-disclosure is fraudulent, we may avoid the Policy at any time. Alternatively, we may be able to reduce the amount of cover to reflect the premium that would have been payable if all relevant matters had been disclosed to us.

Glossary

In this Policy, some words begin with a capital letter, for example, Acceptance Date. These words have the special meanings as explained below.

Acceptance Date means the date your application is accepted by us and cover starts as set out in the Policy Schedule.

Accident means an event resulting in bodily injury occurring while this Policy is in force, where the injury is directly and solely caused by accidental, violent, external and visible means without any other contributing causes and where the injury is not self inflicted.

Accidental Death means death occurring as a direct result of an Accident and where death occurs within 90 days of the Accident.

Activities of Daily Living are:

Activity	Description
Bathing	the ability to wash or shower,
Dressing	the ability to put on and take off clothing,
Feeding	the ability to get food from a plate into the mouth,
Mobility	the ability to get in and out of bed and a chair,
Toileting	the ability to use the toilet including getting on and off.

Australian Resident means a person who resides in Australia at the time of application and either holds Australian or New Zealand citizenship; or holds an Australian permanent residency visa; or has been in Australia continuously for six months or more on a temporary work visa and resides in Australia.

Benefit Amount means the amount payable under this Policy for an Insured Child in respect of Children's Insurance (as applicable). The Benefit Amount at the Acceptance Date for each Insured Child is shown in the Policy Schedule.

Benefit Period means the maximum length of time that we will pay the Income Benefit for the same or related Disabling Sickness or Injury during the life of the Policy. The Benefit Period is shown in the Policy Schedule.

Blindness means the complete and irrecoverable loss of the sight of both eyes as a result of injury or disease.

Commencement Date means the date on which your first premium payment is deducted. The date you select for the first premium deduction is set out in the Policy Schedule.

Congenital Condition means an illness, disability or defect existing at or from an Insured Child's birth.

Deafness means the total, irreversible and irreparable loss of hearing (both natural and assisted) in both ears as a result of disease, illness or injury as measured by an audiogram.

Diplegia means total & permanent loss of use of corresponding parts of the body through injury causing permanent damage to the nervous system.

Disabled / Disability has the same meaning as Disabling Sickness or Injury.

Disabling Sickness or Injury means due to a Sickness or Injury occurring after the Acceptance Date you are:

- If the Life Insured is aged under 65 years of age and working 20 hours or more per week – unable to attend or engage in your usual occupation
- If the Life Insured is aged under 65 years of age and not working or working less than 20 hours per week – unable to perform at least three of the Domestic Duties
- If the Life Insured is aged 65 or over irrespective of work status – unable to perform at least 2 Activities of Daily Living without the physical assistance of someone and without the use of special equipment

The Sickness or Injury must be diagnosed by a Medical Practitioner and confirmed by medical specialists nominated by us.

Domestic Duties means:

Activity	Description
Cleaning	cleaning the family home (such as using a vacuum cleaner, sweeping with a broom, using a mop, cleaning dishes (automatic or manual));
Cooking	cooking the family meals (such as preparing fresh and frozen food, using an oven, stove or microwave oven);
Laundry	doing the family's laundry (such as loading and unloading a washing machine and hanging out clothes or using a dryer, folding clothes and ironing);
Shopping	shopping for food and household items (such as attending shops or using the phone or internet to purchase food or household items for the family); and
Childcare	where applicable, taking care of dependent children under 16 years of age or in full time secondary education (such as supervising, lifting, transporting, feeding and bathing).

Domestic Duties do not include duties performed outside the person's home for salary, reward or profit.

Encephalitis means the unequivocal diagnosis of encephalitis where the condition is characterised by severe inflammation of the brain, that results in a permanent impairment of at least 25% of whole person function (as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 5th Edition).

Hemiplegia means the total & permanent loss of use of one half of the body through injury causing permanent damage to the nervous system.

Income Benefit means the monthly benefit you are eligible to receive, in respect of Living Expenses Insurance under the Policy terms and conditions.

Injury means a bodily injury caused by an Accident.

Insurance means, in respect of a Life Insured, the Insurance benefits that have been applied for by the Policyowner and accepted by us as indicated on the Policy Schedule.

Insured Child in respect of the optional Children's Insurance means the Life Insured named in the Policy Schedule in respect of Children's Insurance.

Life Insured means, as the context requires, you and, if applicable, an Insured Child.

Major Head Trauma means an injury to the head resulting in the Insured Child either:

- suffering at least 25% permanent impairment of whole person function (as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 5th Edition), or
- being permanently unable to perform at least one of the Activities of Daily Living without the physical assistance of someone else and without the use of special equipment.

Medical Practitioner is a qualified, practicing medical specialist, licensed to practice his or her medical specialty within Australia or New Zealand, and whose specialty qualifies him or her to diagnose a medical condition, an illness, or injury covered under this Policy, of a Life Insured. The Medical Practitioner must not be the Policyowner or a Life Insured under this Policy, their spouse, relative or business associate.

Meningitis means the unequivocal diagnosis of meningitis where the condition is characterised by severe inflammation of the meninges of the brain, that results in suffering permanent impairment of at least 25% of the whole person function (as defined in the American Medical Association publication 'Guides to the Evaluation of Permanent Impairment', 5th Edition).

Mental Disorder or Illness means any disorder or illness classified in the Diagnostic and Statistical Manual of Mental Disorders, Volume IV, published by the American Psychiatric Association (or such replacement or successor publication we approve, or if none then a comparable publication as selected by us). Such mental disorder conditions include, but are not limited to:

- post traumatic stress;
- physical symptoms of a psychiatric illness;
- anxiety;
- depression;
- psychoneurosis;
- psychotic, personality, emotional or behavioural disorders; and
- disorders related to substance abuse or dependency which include alcohol, drug or chemical dependency.

Mental disorders or illnesses do not include dementia (except where the dementia is related to substance abuse or dependency), Alzheimer's disease or head injuries.

Paralysis means the total & permanent loss of use of two or more limbs through disease or injury causing permanent damage to the nervous system. This includes, but is not limited to, Paraplegia, Quadriplegia, Diplegia, Tetraplegia and Hemiplegia.

Paraplegia means the total & permanent loss of use of two limbs through injury causing permanent damage to the nervous system.

PDS is an abbreviation of Product Disclosure Statement.

Policy means the legal contract between the Policyowner and us. This PDS, your application, any future application accepted by us, the current Schedule, and any special conditions, amendments, or endorsements make up the Policy.

Policy Anniversary means the anniversary of the Commencement Date of your Policy.

Policyowner, you, your, yours means the owner of the Policy named in the Policy Schedule and the Life Insured for the Bill Insurance. This Policy may not be transferred or assigned to another person.

Pre-existing Medical condition means a physical or mental condition of which you were aware, or a reasonable person in the circumstances could be expected to have been aware, before the Acceptance Date (or the date that we agreed to increase the Income Benefit, in respect of the increased amount). This includes a condition, even if not diagnosed, for which you experienced symptoms and you sought medical attention, or a reasonable person in the circumstances, if experiencing such symptoms, could be expected to have sought medical attention. We will not regard a condition as a Pre-existing Medical condition if you were advised by your Medical Practitioner that you were cured of that condition prior to the date three years before the Acceptance Date (or three years before the date that we agreed to increase the Income Benefit, in respect of the increased amount).

Quadriplegia / Tetraplegia means the total & permanent loss of use of all limbs through injury causing permanent damage to the nervous system.

Schedule means the Schedule issued with your Policy and updated from time to time. A new Schedule will be issued at any time we agree with you to change the details in respect of a Life Insured under your Policy. A new Schedule will replace previous Schedules.

Sickness means sickness or disease which first manifests itself after the date on which the applicable Insurance benefit starts. Any sickness or disease that is the direct or indirect result of elective or transplant surgery is excluded.

Total & Permanent Loss of Use of Two Limbs means complete and irrecoverable loss of the use of two limbs. Limb in this context means an arm, leg, hand or foot.

Waiting Period means the 30 day period you must wait before the Income Benefit becomes payable under the Policy, as set out in your Policy Schedule.

Direct Debit Service Agreement

1. Hannover Life Re of Australasia Ltd ABN 37 062 395 484 (“Debit User”) will initiate direct premium debit payments in the manner referred to in the Schedule (contained in the Direct Debit Request).
2. Debit payments will be made when due. The Debit User will not issue individual confirmation of payments made.
3. The Debit User will give the customer at least 14 days’ written notice if the Debit User proposes to vary details of this arrangement, including the amount and frequency of debit payments.
4. If the customer wishes to defer any payment or alter any of the details referred to in the Policy Schedule, they must either contact the Debit User on **1300 73 7697** or write to the Debit User at PO Box 6728, Baulkham Hills NSW 2153.
5. Customer queries concerning disputed debit payments must be directed to the Debit User in the first instance. Details of the dispute resolution process that applies to the Debit User are described in this PDS on page 17. Queries about claims in regards to disputed debit payments should also be directed to the Debit User and may also be directed to the customer’s financial institution nominated in the Schedule.
6. Direct payment debiting is not available on the full range of accounts at all financial institutions. If in doubt, the customer should check with their financial institution before completing the Direct Debit Request.
7. The customer should ensure that their account details given in the Policy Schedule are correct by checking against a recent statement from their financial institution at which their account is held.
8. It is the customer’s responsibility to have sufficient cleared funds available, by the premium due date, in the account to be debited to enable debit payments to be made in accordance with the Direct Debit Request.
9. By authorising the Direct Debit Request, the customer warrants and represents that he/she/ they is/are duly authorised to request and instruct the debiting of premium payments from the account described in the Policy Schedule.
10. If a debit payment falls due on any day which is not a business day, the payment will be made on the next business day. If you are uncertain as to when a debit payment will be processed to your account, you should make enquiries directly with the financial institution nominated in the Policy Schedule.
11. If a debit payment is returned unpaid, the customer may be charged a fee by the financial institution nominated in the Policy Schedule for each returned item.
12. Customers wishing to cancel the Direct Debit Request or to stop individual payments must give at least 7 days’ written notice to the Debit User at the address referred above.
13. Except to the extent that disclosure is necessary in order to process debit payments, investigate and resolve disputed transactions or is otherwise required by law, the Debit User and its service providers will keep details of the customer’s account and debit payments confidential.



You can trust **Guardian** to help
secure your financial future.

For more information call 1300 70 9431
Lines are open Monday to Friday
8:00am – 8:00pm EST or visit