



AAMI LIFE INSURANCE

Policy Document



AAMI



This product and policy document is issued by Asteron Life & Superannuation Limited ABN 87 073 979 530, AFSL 229880 (Asteron). Asteron is part of the TAL Dai-ichi Life Australia Pty Limited ABN 97 150 070 483 group of companies (TAL). Asteron is authorised to use the AAMI brand.
Prepared on: 1 March 2019

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1.0 Important information

This policy document, together with the schedule, constitutes your insurance policy and is evidence of your insurance with us. You should read this document in conjunction with the schedule because together they contain important information relating to your policy. Please keep this policy document and the schedule in a safe place. We have issued this policy to you based on the information provided by you, to us on your application for insurance.

This policy document and the schedule are issued by Asteron Life & Superannuation Limited ABN 87 073 979 530, AFSL 229 880 (Asteron). AAI Limited ABN 48 005 297 807, AFSL 230859 trading as AAMI does not provide any financial product advice in relation to AAMI Life Insurance. AAMI does not issue, guarantee or underwrite AAMI Life Insurance or any policy issued in relation to it.

Asteron is related to TAL Life Limited ABN 70 050 109 450, AFSL 237848 (TAL Life) and to the distributor TAL Direct Pty Limited ABN 39 084 666 017, AFSL 243260 (TAL Direct). Asteron, TAL Life and TAL Direct are part of the TAL Dai-ichi Life Australia Pty Limited ABN 97 150 070 483 group of companies (TAL).

AAMI Life Insurance is not a savings plan. The primary purpose is to provide a benefit under the terms and conditions of the policy in the event of a claimable event.

When reading this policy document, please refer to Section 10 What do we mean by that? which shows the meaning of various terms used throughout.

For details on how to contact us, please refer to Section 8.

2.0 Cooling off period

You have 30 days from the policy commencement date to check that this insurance meets your needs. This is the cooling off period.

If you wish, you can cancel your policy during this cooling off period by notifying us in writing or verbally. If you notify us verbally, you will need to answer certain questions to confirm your identity. Provided you have not made a claim, you will receive a refund in full of any money you have paid.

3.0 When cover starts and stops

Your policy will start on the policy commencement date shown on the schedule, subject to us having received correct payment details.

Your cover will stop on your 99th birthday. Cover will also stop under this policy on the earliest of the following events:

- you ask us to cancel your policy;
- the date your policy is cancelled due to non-payment of outstanding premiums;
- the date the Terminal Illness Benefit is paid in full;
- or
- the date you die.

We will not consider any claim, unless the event giving rise to the claim occurred while your policy was still in force. We may also cancel this policy on any grounds permitted under relevant law by telling you in writing.

4.0 What we cover

This section outlines the benefits payable under your AAMI Life Insurance policy. You are entitled to all the benefits under AAMI Life Insurance.

Payment of a benefit is subject to our acceptance of your claim, please refer to Section 7 Claims. The most we will pay under this AAMI Life Insurance policy is the sum insured. The maximum amount we will pay across all yearly renewable term life insurance policies issued by us since May 2010 for the same insured person is \$1,000,000 (plus indexation – please refer to Section 4.6 Automatic Indexation Benefit).

No benefit will be paid under this policy if the event giving rise to the claim is, directly or indirectly, as a result of an intentional self-inflicted act within 13 months of the policy commencement date or the date we confirm reinstatement. Please note that if we accept an increase to your sum insured, the 13 months intentional self-inflicted act exclusion will apply for the increased portion only.

4.1 Death Benefit

If you die during the life of your policy, we will pay the sum insured as a lump sum to your nominated beneficiary/ies (if applicable), otherwise to your estate.

We must receive notice of any claim for payment of a Death Benefit as soon as reasonably possible.

The Death Benefit stops on your 99th birthday, unless cover stops earlier, please refer to Section 3 When cover starts and stops.

4.2 Terminal Illness Benefit

If you are diagnosed with a terminal illness by a registered doctor during the life of your policy, we will advance your full Death Benefit.

We must receive notice of any claim for payment of a Terminal Illness Benefit as soon as reasonably possible after you have been diagnosed with a terminal illness.

The Terminal Illness Benefit stops on your 99th birthday, unless cover stops earlier, please refer to Section 3 When cover starts and stops.

4.3 Funeral Advancement Benefit

If you die during the life of your policy, we will advance \$10,000 of the Death Benefit to your primary nominated beneficiary/ies (if applicable), otherwise to your estate.

This payment will usually be made within 24 hours of us receiving the necessary claim requirements, please refer to Section 7 Claims.

The Funeral Advancement Benefit is an advance on your Death Benefit and will therefore reduce the amount of your final Death Benefit payable to your primary nominated beneficiary by \$10,000. The payment of this Benefit is not an admission of any liability to pay the balance of the Death Benefit.

The Funeral Advancement Benefit stops on your 99th birthday, unless cover stops earlier, please refer to Section 3 When cover starts and stops.

4.4 Lifestyle Increase Benefit

You can increase your sum insured each year by \$100,000, without having to provide any medical information if you are under the age of 60 and you:

- get married;

or your partner give birth to or adopt a child;
have a child starting high school for the first time;
purchase a home (owner occupied); or
suffer the death of your partner.

You can also increase your sum insured under this benefit on your second policy anniversary.

4.4.1 How to apply for this benefit

Simply contact us for a Lifestyle Increase Benefit Application Form or download the form from www.aami.com.au/life-insurance.

Subject to the maximum sum insured limits in Section 4 What we cover, you can increase your sum insured using this Benefit up to the value of your original sum insured. For example, if your original sum insured was \$400,000, you can increase your sum insured by a further \$400,000.

4.4.2 When to apply for this benefit

Increases to your sum insured using this benefit must occur within 30 days of your policy anniversary following the event and they will be offered on the same terms as your original insurance with us. Only one increase can occur each policy anniversary. The 13 months intentional self-inflicted act exclusion will apply from the date we accept your increase for the increased portion, please refer to Section 4 What we cover.

Once we accept your application, we will confirm your increased sum insured and we will advise you of your new premium.

This Lifestyle Increase Benefit stops on your 60th birthday, unless cover stops earlier, please refer to Section 3 When cover starts and stops.

4.5 Premium Pause Benefit

If you are unable to pay your premiums, you can contact us and request your premium be paused for up to 3 months over the life of the policy.

4.5.1 When you can activate your benefit

To activate the Premium Pause Benefit, you must have paid premiums for the previous 12 consecutive months and your policy must have no outstanding premium payable at the time of your request.

4.5.2 What is covered during the premium pause?

During the period your premiums are paused, your policy will only cover you in the event you die as a result of an accident. After the premium pause has ended and you have started paying your premiums, you will be entitled to all the benefits under your policy subject to their terms.

The Premium Pause Benefit stops on your 99th birthday, unless cover stops earlier, please refer to Section 3 When cover starts and stops.

4.6 Automatic Indexation Benefit

We will automatically increase your sum insured on each policy anniversary by the greater of the indexation factor or 5%. We will recalculate your premium each year to reflect the increase in the sum insured in line with the indexation factor (and your age) and we will advise you of your new premium prior to your policy anniversary each year.

You can ask us not to apply the indexation factor to your sum insured. If you request this, your sum insured will not change.

The Automatic Indexation Benefit stops on your 99th birthday, unless cover stops earlier, please refer to Section 3 When cover starts and stops.

4.7 Premium Freeze Benefit

You can ask us not to increase the cost of your premium, in which case your future premiums will remain the same as the amount you froze them at resulting in your sum insured decreasing as you get older. We will advise you of your reduced sum insured prior to each policy anniversary. The Automatic Indexation Benefit will not apply while your premiums are frozen. You can ask us to end the premium freeze at any time by contacting us.

The Premium Freeze Benefit stops on your 99th birthday, unless cover stops earlier, please refer to Section 3 When cover starts and stops.

5.0 AAMI Rewards

5.1 13th Month Free

After you have paid your first 12 months premium in full we will waive the premium for your 13th month of cover.

If you pay monthly, your nominated financial institution account will not be debited for the 13th month of cover.

If you pay annually, your first renewal notice will show a reduced annual premium which represents 11 months' premium.

Full cover continues to be maintained during the period of time where your premium is being waived.

5.2 Financial Planning Benefit

If you have continuously held your policy for 3 years, your policy will be automatically upgraded to include the Financial Planning Benefit on the 3rd policy anniversary. You will be notified of this upgrade in writing at your 3rd policy anniversary.

The Financial Planning Benefit allows for a reimbursement of up to \$2,000 for financial planning advice received within 12 months of an accepted claim payment for either the Death Benefit or the Terminal Illness Benefit. The advice must be provided by a licensed financial planner and be provided within 12 months of the claim payment being received.

The Financial Planning Benefit will be payable to you in the event of a Terminal Illness Benefit being paid or to your legal personal representative, primary nominated beneficiary or estate in the event of a Death Benefit being paid.

We do not take any responsibility for the financial advice provided or the implementation of that advice.

The Financial Planning Benefit stops on your 99th birthday, unless cover stops earlier, please refer to Section 3 When cover starts and stops.

This benefit is only payable once per policy.

6.0 Your premium

Your premium pays for your cover, government fees and charges and administration costs.

The premium you pay is determined by multiplying your sum insured by the applicable premium rate. Your premium rate is based on the following factors: your age, gender, smoking status and health. Discounts may also be applied. The premium stated in the schedule

applies during the first 12 months after your policy commencement date.

Your premium rate is guaranteed not to change for 12 months from your policy commencement date. After this period, your premium will generally increase each year with age and increases in the sum insured for example, as a result of the Automatic Indexation Benefit (explained in Section 4.6). We will send you a notice prior to each policy anniversary confirming your premium. We can also change the premium rate for all policies of the same kind at any time. In the event we apply an increase to policies of the same kind, we will provide you with at least 30 days' notice and you will be charged the new premium from your next policy anniversary.

Premiums received are paid into our No. 1 statutory fund. They are not eligible to participate in any surplus arising in our statutory fund.

6.1 Paying your premium

Your premiums are payable from the financial institution account or credit card you nominate. Your premium and the frequency (monthly or annually) you have chosen to pay your premium are detailed on the schedule.

You have up to 30 days for monthly payments and 14 days for Annual payments from the date each premium is due to pay your premiums. This period is called the days of grace. If you are entitled to claim within the days of grace, we will pay the benefit if otherwise payable on the terms explained in this policy document, less the amount of any unpaid premium.

If your premium remains unpaid during the days of grace, we will send a notice to you specifying the date we will cancel the policy without any refund of

premium. If the premium remains unpaid, we will also provide written notice of cancellation to you at the address last advised to us. We will not be liable for any claims after the date of cancellation.

If we cancel your policy due to non-payment of premiums, you can complete a Policy Alteration form and return it to us for consideration within 12 months of the policy's cancellation date. In order for us to process your application for reinstatement, we can ask for information relating to (but not limited to) your health and all outstanding premiums must be paid by you. If we accept your reinstatement, the 13 months intentional self-inflicted act exclusion will apply from the date of reinstatement.

7.0 Claims

If you are entitled to make a claim, you, your nominated beneficiary/ies or legal personal representative can contact us on 13 22 44 and we will then send a claim pack that needs to be completed to our satisfaction and returned to us.

If you have made a valid nomination, which we will confirm with you in writing, we will pay any benefit payable as a consequence of your death in accordance with your nomination, subject to any relevant terms and conditions which may apply as explained on your Nomination of Beneficiaries form.

We may ask for information we might reasonably need and obtain medical and other records to ensure that the terms and conditions of the policy as set out in this policy document are satisfied.

To make a claim under the Death Benefit, your legal personal representative or nominated beneficiaries are required to notify us as soon as reasonably possible

after the date of your death. The following information will be required:

- claim form completed by your legal personal representative or nominated beneficiaries;

- certified copy of the death certificate or other evidence satisfactory to us;

- certified copy of the Will to confirm the executor of the estate;

- certified proof of identity (birth certificate, drivers licence or passport); and

- if you did not make a valid beneficiary nomination, a certified copy of Probate or Letters of Administration (whichever is applicable).

To make a claim under the Terminal Illness Benefit, you are required to notify us as soon as reasonably possible after the date you are diagnosed with a terminal illness. The following information will be required:

- claim form completed by you and your specialist practitioner who is also a registered doctor; and

- certified proof of identity (birth certificate, drivers licence or passport).

To make a claim under the Funeral Advancement Benefit, your legal personal representative or primary nominated beneficiary is required to notify us as soon as reasonably possible after the date of your death.

The following information will be required:

- claim form completed by your primary nominated beneficiary or legal personal representative;

- certified copy of the death certificate or other evidence satisfactory to us: and

- certified proof of identity (birth certificate, drivers licence or passport).

To make a claim under the Financial Planning Benefit, you, your legal personal representative or nominated beneficiaries are required to notify us within 12 months of receiving a claim payment under the Terminal Illness or Death Benefit. The following information will be required:

- a completed Financial Planning Benefit claim form;
- certified proof of payment for the financial advice from a licensed financial planner; and
- certified proof of identity (birth certificate, drivers licence or passport).

Payment of benefits under this policy will be subject to relevant legislative requirements being adhered to and depending upon individual circumstances, additional information may be required by us.

You or your legal personal representative will be required to pay for the cost of satisfying these claim requirements, unless we notify you otherwise.

To assess your claim promptly, we need to ensure the information provided to us at the time of application is correct, for example your age and smoking status. If we have received any false or misleading information, we may refuse the claim, avoid the policy, adjust the premiums paid by you or the benefit payable by us.

We may refuse the claim if we are disadvantaged by any delay in notifying us of a claim.

All payments are made as a lump sum in Australian currency.

We will only consider a claim, if the event giving rise to the claim occurred while your policy was still in force.

8.0 How to contact us

8.1 Administration queries and changes

If you have any questions about your policy or you would like to make any changes to your policy, including a change to your address or to your payment type, please contact us, please refer to the back page for contact details. A change to this policy will only apply if we confirm the change in writing. You can apply to increase or decrease your sum insured on an existing policy by contacting us.

During the life of this policy, you cannot assign ownership of this policy to any other person or party.

If you wish to apply for an increase to your existing sum insured, the maximum sum insured limits will apply, please refer to Section 4 What we cover, and the 13 months intentional self-inflicted act exclusion will apply from the date we accept the increase for the increased amount. You will receive an updated endorsement schedule showing your updated policy information.

8.2 Complaints

If you have a complaint about this product or our services, we have established a complaints resolution process and are committed to working with you to resolve your concerns. You can call us on 13 22 44 or contact the Customer Relations team at lifecustomerrelations@suncorp.com.au.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

You can contact AFCA via the following:

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority,
GPO Box 3, Melbourne VIC 3001.

9.0 Important general information for you

You are the sole policy owner and insured person listed on the schedule. You are covered for the insured events under your policy 24 hours a day, 365 days a year. If premiums payable under this policy are paid, please refer to Section 6 Your premium, your policy will continue until your 99th birthday, unless your policy stops earlier, please refer to Section 3 When cover starts and stops.

From time to time we may also make improvements to your policy with no resulting increase to your premium. If we make a change to your policy which, in your opinion was adverse to you, we will, if you make a claim, assess your claim on the terms of the policy in existence before the change took place.

10.0 What do we mean by that?

Where any of the below words appear in this policy document, whether the first letter is in upper or lower case, their meanings are listed below.

Where applicable, with respect to the definitions, singular includes the plural and vice versa.

accident means an event which solely and directly causes injury as a result of violent, external and visible means.

Asteron, we, us and **our** means Asteron Life & Superannuation Limited, ABN 87 073 979 530 AFSL 229880.

expiry date means the date your policy ends as stated on the schedule.

immediate family members means your partner, parents, siblings or children.

indexation factor means the percentage change in the consumer price index which is the weighted average of the 8 Australian capital cities combined as published by the Australian Bureau of Statistics or any body which succeeds it and in respect of the 12 month period finishing on 30 September. The indexation factor will be applied from 1 March the following year. If the CPI is not published by this date, the indexation factor will be calculated upon a retail price index which we consider most nearly replaces it.

injury means physical damage to your body which occurs as a result of violent, external and visible means while this policy is active.

insured person means the person who has been accepted by us and is listed on the schedule as the insured person under this policy.

legal personal representative means the executor or administrator of your estate or any other person(s) who is authorised by law to administer and distribute your estate.

nominated beneficiary means the person(s) you nominate using the Nomination of Beneficiaries form to receive the Death and Funeral Advancement Benefits under this policy.

partner means your spouse or a person living with you as your spouse on a domestic basis in good faith. He or she can be the same sex as you.

policy means your AAMI Life Insurance, which consists of this policy document, schedule and information provided in your application.

policy anniversary means the anniversary of your policy commencement date.

policy commencement date means the date we accept your application for cover as shown on the schedule.

policy owner means the person listed on the schedule as the owner of this policy.

premium means the amount you pay us for the insurance.

primary nominated beneficiary means the person you list first on your Nomination of Beneficiaries form.

registered doctor means a doctor who is legally qualified and a properly registered medical specialist. The doctor cannot be yourself or a member of your family. If practising outside Australia, the doctor must have qualifications equivalent to Australian Standards.

schedule means a document issued by us which shows important information about your policy, including your policy number, premium, sum insured, special conditions (if applicable) and policy commencement date.

sickness means an illness or disease you suffer while cover for the applicable benefit was in force under this policy.

sum insured means the amount you apply for and we accept as varied (for example if you apply for a decrease or through increases under the Automatic Indexation Benefit) by agreement.

terminal illness means a sickness which you have been diagnosed with, that in our opinion, having considered any evidence we may require, means that your life expectancy is not greater than 12 months, regardless of any available treatment.

you and **your** means the policy owner who is also the insured person who has been accepted by us and is shown on the schedule.

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We're here to help you

13 22 44

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AAMI

