

For all enquiries please call your insurance broker or adviser in the first instance.

PRODUCT DISCLOSURE STATEMENT

Personal Accident and Sickness Insurance

Toll Free 1300 728 997
Website www.afainsurance.com
Email enquiries@afainsurance.com
Address AFA Pty Ltd
L12, 19-31 Pitt Street, Sydney NSW 2000
PO Box R1852, Royal Exchange, NSW 1225
Telephone 02 9259 8222
Facsimile 02 9259 8200

Disclaimer

All information in this PDS is current at the time of issue. We may change or update the information from time to time that is not materially adverse by preparing a Product Information Update. You can also obtain a copy of any Product Information Update, at no cost, by contacting AFA using the numbers above.

AFS Licence No. 247122 PDS Version No. 01.04.10 1 April 2010

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Part A: About this Personal Accident and Sickness Insurance

About the insurer

The insurer of this product is The Hollard Insurance Company Pty Ltd (ABN 78 090 584 473) AFS Licence No. 241436.

About AFA

AFA Pty Ltd (ABN 83 067 084 333) AFS Licence No. 247122 is an Underwriting Agency, specialising in the design and marketing of Accident & Health insurance products. AFA has been provided with a binding authority by the insurer authorising it to enter into, vary and cancel this insurance as well as settle any claims on behalf of the insurer as if it were the insurer.

AFA acts on behalf of the insurer in relation to this insurance not You.

About this Product Disclosure Statement

This Product Disclosure Statement (PDS) contains important information about the Personal Accident and Sickness Insurance product which is issued and administered by AFA on behalf of the insurer. Other documents may form part of this PDS. Any such documents will include a statement identifying them as part of this PDS and will be provided to You at the same time as You are given this PDS.

The information in this PDS has been prepared without taking into account Your personal objectives, financial situation or needs. You should therefore consider this PDS carefully before making any decision whether to take out Personal Accident and Sickness Insurance or, if You already hold such insurance, to keep or renew the insurance.

This PDS is prepared by AFA with the assistance and consent of the insurer who is responsible for this document. It includes the terms and conditions applying to the Personal Accident and Sickness Insurance policy which will be issued to You if You apply for, or seek to renew, the insurance and AFA accepts Your application on behalf of the insurer.

Contact Details

AFA Pty Ltd

Level 12, 19-31 Pitt Street Sydney NSW 2000

Telephone 02 9259 8222

Facsimile 02 9259 8200

www.afainsurance.com

The Hollard Insurance Company Pty Ltd

Level 38, 2 Park Street Sydney NSW 2000

Telephone: (02) 9253 6600

Facsimile: (02) 9253 6699

www.hollard.com.au

Part A: About this insurance continued...

All information in this PDS is current at the time of issue. We may need to update this PDS from time to time if certain changes occur where required and permitted by law. We will issue You with a new PDS or a Supplementary PDS or other compliant document to update the relevant information except in limited cases. Where the information is not something that would be materially adverse from the point of view of a reasonable person considering whether to buy this insurance, We may issue You with notice of this information in other forms or keep an internal record of such changes (You can obtain a paper copy free of charge by calling us).

Please read and retain this document in a safe place for future reference.

About the product

Eligibility criteria

To apply for cover, or to renew this insurance, You must be a legal resident physically residing in Australia, be legally working in an eligible occupation and must be at least 15 years of age and less than 69 years of age at the date of first entering into or on any renewal of this insurance (as applicable) unless We agree otherwise.

Not all Injuries or Sicknesses attract a benefit payment and not all circumstances in which defined Injuries or Sickness occur are covered. Importantly, the policy does not cover Pre Existing Conditions (conditions which first became apparent before the Policy starts).

What You should read

To determine if this insurance is right for you, it is important that You read:

- this Part A – About this Personal Accident and Sickness Insurance section which contains important information that You need to be aware of;
- the Part B - Cover Section, which sets out the covers available under this insurance;
- the Glossary, which defines some of the important words which We use in Your Policy;
- the Exclusions Section, which sets out what We do not cover;
- the General Conditions Section, which sets out the conditions and terms that apply to Your whole Policy such as how You and We can cancel Your Policy, Your requirement to tell Us if You change Your occupation and taxation impacts;
- the Claiming a Benefit Section, which tells You how to make a claim; and
- any other document(s) We provide to You about this insurance which may change the standard cover in this document.

Summary of Cover Provided

The following benefits only apply if specified as applicable in the Policy Certificate. This section provides a summary only. See the Cover sections for full terms and conditions that apply.

Section 1 - Injury and Sickness Cover

You can choose to apply for either Injury Cover or Injury and Sickness Cover. However, You cannot choose Sickness Cover only.

Unless We agree otherwise in writing, if You have been employed for less than 12 months we will only cover You on an Agreed Value basis. This means that We will only pay You the weekly benefit agreed by Us.

If You have been employed for more than 12 months You can also choose to be covered on this basis.

Injury Cover

If You suffer a defined Injury during the Period of Insurance and this Injury solely results in You becoming Totally or Partially Disabled within twelve (12) calendar months of the date of the Injury, We will pay You one of the following weekly benefits:

- if You are Totally Disabled:
 - » and We have covered You on an Agreed Value basis, the Weekly Injury Benefit amount shown on Your Policy Certificate; or
 - » in any other case, the lesser of 85% of Your Pre Disability Earnings and the Weekly Injury Benefit amount shown on Your Policy Certificate;
- if You are Partially Disabled and have been Totally Disabled because of the Injury and have been paid a Total Disability Benefit for that Injury – 25% of the Weekly Injury Benefit amount shown on Your Policy Certificate

for the period You are Totally or Partially Disabled up to the Maximum Benefit Period shown in Your Policy Certificate.

We will not pay You any benefit for Partial Disability unless You have first been Totally Disabled.

Part A: About this insurance continued...

Injury and Sickness Cover

If You choose Injury and Sickness Cover You will be entitled to the Injury Cover above and Our Sickness Cover. If You suffer a defined Sickness that first occurs or manifests itself during the Period of Insurance and this Sickness results in You becoming Totally Disabled within twelve (12) calendar months of the date on which the Sickness first occurs or manifests itself, We will pay You one of the following weekly benefits:

- if We have insured You on an Agreed Value basis, the Weekly Sickness Benefit amount shown on Your Policy Certificate; or
- in any other case the lesser of 85% of Your Pre-Disability Earnings and the Weekly Sickness Benefit amount shown on Your Policy Certificate

for the period You are Totally Disabled up to the Maximum Benefit Period shown on Your Policy Certificate.

No cover is provided for Partial Disablement that occurs as a result of a Sickness.

Waiting Period

A Waiting Period applies for both the Injury Cover and Injury and Sickness Cover. If You are Totally Disabled during the Waiting Period, then any weekly benefit You are entitled to will not commence until the Waiting Period has expired. No benefit payment is made for or during the Waiting Period.

Unless You have Agreed Value Cover, You can select Your Waiting Period which will be shown on Your Policy Certificate.

Optional Covers

The following benefits only apply if shown as applicable in the Policy Certificate. This section provides a summary only. See the Cover sections for full terms and conditions that apply.

Section 2 – Capital Benefit Cover

You can apply for the optional Capital Benefit Cover.

If You suffer an Injury during the Period of Insurance and it solely results in either:

- Your death; or
- any of the other Capital Conditions set out in the Capital Conditions Table (see page 18) that You have chosen and which is listed as covered in the Policy Certificate,

and Your death or Capital Condition occurs within twelve (12) calendar months of the date the Injury, We will pay You the Capital Benefit amount specified for the relevant Capital Condition, subject to the other terms, conditions and exclusions of the policy.

You can select the Capital Conditions that You wish to be insured for and the amount that We will pay for each Capital Condition.

Section 3 – Business Expenses Benefit

You can apply for the optional Business Expenses Benefit.

If You suffer a Total Disability that is covered under Your Injury and/or Sickness covers, We will pay You the lesser of:

- the Business Expenses Benefit shown in Your Policy Certificate; or
- the actual weekly Business Expenses that You incur while You are receiving a weekly benefit for Your Total Disability and which are not reimbursed from elsewhere.

You should refer to each Cover Section for details of the basis on which We settle any claims for the above benefits.

Important matters

We only provide cover up to the amount(s) and limit(s) and for the period(s) of time specified in Your Policy, including the Policy Certificate and subject to its other terms, conditions and exclusions. All amounts insured exclude GST. In the event of a claim, no payment will be made for Total Disablement or Partial Disablement until the Waiting Period has expired. No amount is payable for or during the Waiting Period.

Some exclusions from cover apply

A benefit is not payable if a policy exclusion applies. These exclusions are explained in the relevant Cover sections and Section 4 Exclusions.

Also, a weekly benefit is only payable while You are a legal resident of Australia who is physically in Australia.

When does Your cover begin and end?

Cover begins

Cover begins at 4pm on the Commencement Date shown on Your Policy Certificate, subject to Our receipt of the first payment of premium.

Cover ends

The Policy and Your cover ends on the earliest of:

- 4pm on the date one year after the Commencement Date or such shorter period as shown in the Period of Insurance on Your Policy Certificate;
- the date Your policy is cancelled by You or Us;
- the date You change Your occupation to one which We do not insure (please refer to clause 5.2 on page 22);
- You no longer meet the eligibility criteria (see page 3).

Part A: About this insurance continued...

What do You pay?

When calculating Your premium for this Personal Accident and Sickness Insurance We take a range of factors into account, including:

- Your age, sex, Your occupation and any hazardous pursuits which You engage in;
- the type and amount of cover requested.

In the case of the Injury and Injury and Sickness Covers, a shorter benefit period will mean a lower premium. A longer Waiting Period will also reduce the premium. Also, any factor that increases the risk (e.g. a higher Maximum Benefit Period or shorter Waiting Period) will increase the premium.

Your premium also includes amounts that take into account Our actual or estimated obligation to pay any relevant compulsory government charges, taxes or levies such as stamp duty and GST.

If You pay Your premium by instalments, this may increase the amount of the premium that You must pay.

If Your premium is payable in instalments, You must continue to pay the instalments to maintain cover. If You pay by 7 or more instalments each year and You fail to pay an instalment on time then, if the instalment remains unpaid for at least 14 days, We may refuse to pay any claim that arises after the unpaid instalment was due and if an instalment remains unpaid, We may cancel Your Policy by giving You notice of cancellation.

If We insure You on an Agreed Value basis, a minimum premium applies. The amount of premium We charge for this insurance will not be less than this amount.

If You enter into a Policy with us, the amount of premium that You must pay will be shown in the Policy Certificate.

How to Apply

If You don't already hold an Accident and Sickness Insurance Policy with Us:

To apply for this insurance You need to complete an Application or You can contact Your insurance adviser who will assist You to complete an Application. We use and rely on the information supplied by You to decide whether to accept Your Application and, if so, the terms on which cover is provided.

If We accept Your Application, We will issue You a Policy Certificate setting out the details of the cover provided, the limits that apply, the premium payable and other information including whether any standard terms have been varied by way of endorsement.

We provide cover on the terms contained in this PDS, the most recent Policy Certificate and any other document that We tell You forms part of the terms and conditions of Your cover. All of these documents make up Your "Policy".

Your Duty of Disclosure

Before You buy an insurance policy with Us, You have a duty, under the Insurance Contracts Act, to disclose to Us every matter that You know, or could reasonably be expected to know, is relevant to Our decision whether to accept the risk of the insurance and if so, on what terms.

The Act imposes a different duty the first time You enter into the policy to that which applies when You vary, renew, extend, reinstate or replace a policy. We set these two duties out below.

Your Duty of Disclosure when You enter into Your Policy with Us for the first time

We will ask You various questions when You first apply for Your Policy that are relevant to Our decision whether to accept the risk of insurance and, if so, on what terms. When You answer those questions, You must:

- give Us honest and complete answers;
- tell Us everything You know; and
- tell Us everything that a reasonable person in the circumstances could be expected to know.

Your Duty of Disclosure when You renew, vary, extend, reinstate or replace Your Policy

When You renew, extend, vary, reinstate or replace Your Policy with Us, Your duty is to disclose to Us before the renewal, extension, variation, reinstatement or replacement, every matter that You know, or a reasonable person in the circumstances could be expected to know, is relevant to Our decision whether to accept the risk of the insurance and, if so, on what terms.

What You do not need to tell Us for either duty

You do not need to tell Us about any matter:

- that diminishes the risk to be undertaken by Us;
- that is of common knowledge;
- that We know or in the ordinary course of business, ought to know; or
- as to which compliance with Your duty is waived by Us.

Who do the above two duties apply to?

The duty of disclosure applies to You and everyone that is an insured under Your Policy.

What happens if You don't comply with the relevant duty?

If You, or anyone that is an insured under Your policy, fail to comply with the duty of disclosure, We may be entitled to reduce Our liability under Your policy in respect of a claim and/or cancel it. If Your, or their, non-disclosure is fraudulent We may also have the option of treating Your policy as if it never existed.

Part A: About this insurance continued...

Your cooling off period

If You buy this Personal Accident and Sickness Insurance We will issue and send You Your Policy Certificate. The Policy Certificate will show the Period of Insurance for which You are covered and the policy issue date. You have a 14 day cooling off period (beginning on the earlier of 5 business days after You receive confirmation of cover and the date Your Policy is issued to you) to decide whether the policy is suitable for Your needs. Unless the reason for which You entered into Your Policy (e.g. You are employed under a building contract) no longer exists, You have made or are entitled to make a claim, You can return the Policy Certificate to Us within the 14 day cooling off period, We will cancel the policy and give You a full refund of premium, less taxes or charges and reasonable administrative expenses We are unable to recover.

After the expiry of Your Cooling Off Period, You still have cancellation rights which are set out in Section 5 General Conditions.

What do You do if You have a complaint?

If You have a complaint, please contact Us (Our contact details are shown on the back page of this PDS) and We will attempt to resolve Your complaint immediately. If You are not satisfied with Our response We will refer it to Our Internal Dispute Resolution process (IDR).

Your complaint will be investigated by a person with full authority to deal with the complaint and We will inform You of Our IDR's decision within 15 business days of receiving the complaint provided that We have all necessary information and have completed any investigation required. If We have not We will agree reasonable alternative timeframes with You.

If Your complaint still remains unresolved to Your satisfaction, or where applicable We cannot agree alternative timeframes, You may access the services of an independent external review body called the Financial Ombudsman Service (FOS):

GPO Box 3,
Melbourne, VIC 3001
Phone 1300 780 808
www.fos.org.au

If You require more information about Our dispute resolution process, please contact AFA.

Interest on application money received with Your application

Application money is held in a trust account pending acceptance of Your application by Us. Any interest that may be earned on that money is retained by Us. This is so even if Your money is subsequently returned to You in the event that You cancel the policy in accordance with the 14 day cooling off period.

Confirmation of transactions

You may contact Us in writing or by phone to confirm any transaction under Your insurance if You or Your adviser do not already have the required policy confirmation details.

Privacy

Unless the context otherwise provides, in this Privacy clause 'we' means the insurer and AFA.

We are committed to complying with the principles of the Privacy Act when We collect and handle Your personal information.

We collect personal information for the purpose of providing insurance, including arranging insurance, policy administration and claims handling. We also collect Your personal information to conduct market or customer satisfaction research and to develop and identify products and services that may interest you.

We disclose personal information to persons We deal with in providing Our services to you, for example, the insurer, reinsurer(s), insurance intermediaries, insurance reference bureaus, credit reference agencies, Your advisers and those involved in the claims handling process, for the purposes of assisting Us and them in providing relevant services and products, and for the purposes of litigation. We limit the use and disclosure of any personal information provided by Us to them to the specific purpose for which We supplied it. By providing Your personal information to Us, You consent to Us making these disclosures.

Without this information, We may not be able to provide You with the services You require.

When You give Us personal information about other individuals, We rely on You to have made or make them aware that You will or may provide their information to Us and the types of third parties We may provide it to, the relevant purposes We and the third parties will use it for, and how they can access it. If You have not done or will not do either of these things, You must tell Us before You provide the relevant information.

If You would like a copy of Our Privacy Policy, would like to seek access to or correct Your personal information, or opt out of receiving materials We send, please contact us.

Direct Debit Request Service Agreement

This Direct Debit Request Service Agreement is issued by AFA Pty Ltd (User ID 056037). Together with the Direct Debit Request, it contains the terms and conditions on which You authorise AFA to debit money from Your account.

Our commitment to you

AFA will give You at least 14 days notice in writing if there are changes to the terms of the debit arrangements.

Part B: Your Cover

Except where necessary to debit Your account, AFA will not disclose any details of Your Direct Debit Request to any person or corporation unless required to do so by law or the information is required in relation to a disputed debit.

Where a direct debit falls due on a weekend or a public holiday AFA will process it on the next business day. If You are uncertain as to when a direct debit will be processed to Your account, You should ask Your financial institution.

Your commitment to us

It is Your responsibility to:

- Ensure Your nominated account can accept direct debits;
- Ensure that sufficient cleared funds are available in the nominated account to meet each direct debit on its due date;
- Advise Us in writing if the nominated account is transferred or closed, or the account details change;
- Arrange an alternate payment method acceptable to AFA if the debit arrangement is cancelled or the nominated account is transferred or closed;
- Ensure that all account holders on the nominated account sign the Direct Debit Request.

Your rights

You may defer or alter Your direct debit arrangements, stop a debit or cancel Your Direct Debit Request at any time by providing at least ten business days notice in writing to Us at AFA Pty Ltd PO Box R1852 Royal Exchange NSW 1225. All requests for stops or cancellations may be directed to Us or to Your financial institution.

If You wish to dispute a direct debit transaction, You should first contact AFA Customer Service on (02) 9259 8222, who will arrange for Your complaint to be investigated and a correction made where appropriate. If You are not satisfied with the response, please write to Us. Your letter should be marked "Notice of Complaint" and addressed to: AFA Pty Ltd PO Box R1852 Royal Exchange NSW 1225. AFA has formal procedures for dealing with complaints and will respond within 7 days of receiving Your letter. You may also contact Your financial institution with any claim.

Other information

If a debit is dishonoured by Your financial institution, AFA reserves the right to cancel Your debit arrangement and arrange an alternative payment method with you. We may charge You a fee and Your financial institution may also charge You a fee.

You should be aware that direct debit transactions may not be available on all accounts. It is Your responsibility to check Your account details against a recent statement from Your financial institution. If You are uncertain, You should check with Your financial institution before completing the Direct Debit Request.

You should direct all enquiries about Your direct debit to AFA Customer Service on 02 9259 8222.

Section 1 – Weekly Benefits

Your Policy Certificate will show whether You are covered for the Injury Benefit only or the Injury and Sickness Benefit. (IMPORTANT: Please note that, if You are covered for the Injury Benefit only, You are only covered for Injury and not Sickness).

If You have been employed for less than 12 months then unless We agree otherwise in writing, You will not be entitled to select the amount of Your Weekly Injury Benefit or Weekly Sickness Benefit, Waiting Period or Maximum Benefit Period and We will cover You on the Agreed Value basis.

If You have been employed longer than 12 months You can choose to be insured on an Agreed Value basis.

Your Policy Certificate will show if You are covered on an Agreed Value basis.

1.1 Weekly Injury Benefit

Total Disability Benefit

If You suffer an Injury during the Period of Insurance and this Injury results in You becoming Totally Disabled:

- within twelve (12) calendar months of the date of the Injury; and
- for a continuous period that is longer than the Waiting Period,

We will pay You one of the following weekly benefits:

- if We have insured You on an Agreed Value basis We will pay You the Weekly Injury Benefit shown on Your Policy Certificate; or
- in any other case the lesser of:
 - » 85% of Your Pre-Disability Earnings; and
 - » the Weekly Injury Benefit amount, shown on Your Policy Certificate

for the period You are Totally Disabled up to the Maximum Benefit Period shown on Your Policy Certificate.

No payment is made for the Waiting Period.

You will not be considered to be Totally Disabled before You consult a Medical Practitioner for the claimed disability. If You are capable of returning to work in any occupation, profession or business which You are in Our opinion qualified to perform (based on Your education, training or experience) on a full time, part time or any other basis, You are not Totally Disabled.

Part B: Your cover continued...

Partial Disability Benefit

If You are Partially Disabled then We will pay You 25% of the Weekly Injury Benefit amount shown on Your Policy Certificate provided that:

- You have been Totally Disabled because of an Injury (not a Sickness) and paid a Weekly Injury Benefit for that disablement under this policy; and
- You cease to be Totally Disabled but remain Partially Disabled.

We will not pay You a Partial Disability Benefit if You are capable of returning to work in any occupation, profession or business which You are in Our opinion qualified to perform (based on Your education, training or experience) on a full time, part time or any other basis, but You do not do so for any reason.

1.2 Weekly Sickness Benefit

Total Disability Benefit

If You choose the Injury and Sickness Benefit You are entitled to the Injury Benefit as set out in 1.1 as well as the Sickness Benefit set out below.

If You suffer a Sickness that first occurs or manifests itself during the Period of Insurance and this Sickness results in You becoming Totally Disabled:

- within twelve (12) calendar months of the occurrence or manifestation of the Sickness; and
- for a continuous period that is longer than the Waiting Period;

We will pay You one of the following weekly benefits:

- if We have insured You on an Agreed Value basis We will pay You the Weekly Sickness Benefit amount shown on Your Policy Certificate; or
- in any other case the lesser of:
 - » 85% of Your Pre-Disability Earnings; and
 - » the Weekly Sickness Benefit amount shown on Your Policy Certificate,

for the period You are Totally Disabled up to the Maximum Benefit Period shown on Your Policy Certificate.

No payment is made for the Waiting Period.

You will not be considered to be Totally Disabled before You consult a Medical Practitioner for the claimed disability. If You are capable of returning to work in any occupation, profession or business which You are in Our opinion qualified to perform (based on Your education, training or experience) on a full time, part time or any other basis, You are not Totally Disabled.

We will only pay the Sickness Benefit if You are Totally Disabled. We will not pay it if You are Partially Disabled.

1.3 Waiting Period

A Waiting Period applies for both the Injury Cover and Injury and Sickness Cover. We will not pay You any benefit for or during the Waiting Period. We start paying the relevant benefit from the end of the Waiting Period..

Unless We have insured You on an Agreed Value basis, You can select Your Waiting Period which will be shown on Your Policy Certificate.

The waiting period applies to all claims made under 1.1 or 1.2 as a result of a recurrence of the same Injury or Sickness referred to in 1.5.

1.4 When Weekly Benefits are paid

Weekly benefits are paid fortnightly in arrears. We will pay one-seventh (1/7th) of the weekly benefit for each day that benefits are payable.

1.5 Maximum Benefit Period – Weekly Benefits

If the weekly benefit has been paid for a period less than the Maximum Benefit Period shown on Your Policy Certificate and You are able to claim under 1.1 or 1.2 as a result of a recurrence of the same Injury or Sickness within 6 months of Your previous Total Disability or Partial Disability ending, then any weekly benefit otherwise payable under 1.1 or 1.2 in relation to this recurrence is only payable for the balance (if any) of the Maximum Benefit Period shown on Your Policy Certificate.

1.6 Reduction of the Weekly Benefit – other payments

If You receive during the period that You are covered for being Totally or Partially Disabled:

- periodical benefits or insurance payments of any kind for the same Injury or Sickness; or
- wages, salary, paid sick leave or income from any other source; or
- insurance or compensatory lump sum payments (be it an award by a Court or Tribunal, a settlement or through a statutory scheme) for the same Injury or Sickness.

then if the amount You receive from the other source is a:

- periodical payment, We will deduct the periodical payments of these amounts from the weekly benefit amount We pay referable to the same period (but not below zero); and
- lump sum, weekly benefits payable are suspended, and all weekly benefits paid must be repaid, to the extent that the lump sum payment (or, where only part of the lump sum is attributable to economic loss, only the economic loss component of the lump sum) is greater than the weekly benefits paid or payable.

Part B: Your cover continued...

Where the lump sum is less than the weekly benefits payable, weekly benefits will recommence from the date on which the amount of the lump sum (or, where only part of the lump sum is attributable to economic loss, only the economic loss component of the lump sum) equals the amount which would have otherwise been payable to You if You had not received the lump sum.

1.7 Rehabilitation

To assist You to return to work, We will reimburse the cost of Your participation in a return to work program, up to \$5000, but only if:

- the expenses are incurred while a weekly benefit is payable for Your Total Disability;
- We approve any expenses in writing before they are incurred; and
- the expenses are not being reimbursed from elsewhere.

1.8 Advance Payments

If Your Policy Certificate specifies a Waiting Period of 28 days or less, and You suffer a covered Injury that solely results in one of the fractures specified in the Advance Payments Table, We will pay You an advance payment being the number of weekly benefit payments specified in the Advance Payments Table for that fracture as a lump sum up front, regardless of whether You are Totally or Partially Disabled or not.

Advance Payments Table

Fracture of	Advance Payment Period
Femur (thigh)	12 weeks
Pelvis, excluding coccyx	12 weeks
Fibula or tibia	6 weeks
Humerus (upper arm)	10 weeks
Ulna or radius (lower arm)	6 weeks
Wrist	4 weeks
Ankle	6 weeks
Patella (knee cap)	4 weeks
Clavicle (collar bone)	4 weeks
Foot, excluding toes	3 weeks

If as a sole result of the covered Injury, You become Totally or Partially Disabled during or after the expiry of the Advance Payment Period and the Total or Partial Disablement occurs:

- during Your Waiting Period, We will not pay You any weekly benefit until the expiry of the Waiting Period plus the number of weeks of the Advance Payment Period; or

- after Your Waiting Period We will not pay You any weekly benefits until the expiry of the period commencing on the date You became Totally or Partially Disabled and the number of weeks of the Advance Payment Period.

The number of weeks for which weekly benefits were advanced during the Advance Payment Period count as part of the Maximum Benefit Period shown on Your Policy Certificate and weekly benefits for this period will not be paid again.

The amounts We pay under this Section 1 are subject to the other terms, conditions and exclusions of Your Policy.

Section 2 - Capital Benefit Cover

This Benefit only applies if Your Policy Certificate shows that You are covered for the Capital Benefit Cover.

If You suffer an Injury which results in any of the Capital Conditions:

- occurring within 12 months of the date the Injury; and
- Your Policy Certificate shows that You are covered for that Capital Condition,

We will pay You the benefit specified for the relevant Capital Condition in the Capital Conditions table set out on page 18 as a percentage of Your Capital Sum Insured specified in Your Policy Certificate.

Your Policy Certificate will show which of the following Capital Conditions (as set out in the Table) You are covered for. You can choose from the following options:

- condition number 1 (Death) only; or
- conditions numbered 1 to 7; or
- conditions numbered 1 to 16.

In the case of Your death, We will pay the relevant compensation to Your estate.

If You are travelling on a journey and Your means of transportation disappears, sinks or is wrecked and Your body has not been found within one year, We will presume that You have died as a result of an Injury and will pay the death benefit accordingly.

The amounts We pay under this Section 2 are subject to the other terms, conditions and exclusions of Your Policy.

The Capital Conditions listed on page 18 are ONLY payable in the event of an Injury and NOT a Sickness.

The maximum amount that We will pay for all Injuries resulting in Capital Conditions during the Period of Insurance is the Capital Sum Insured. This means that if You receive one or more Capital Benefits where 100% of the Capital Sum Insured is payable, this cover ends.

Part B: Your cover continued...

Capital Benefit Limits

Any capital benefit payable will be reduced by any amount of any other capital benefit We have paid or are liable to pay in connection with the same Injury

All cover ceases under this Section 2 if You become entitled to receive a capital benefit of more than 75% of the Capital Sum Insured shown in Your Policy Certificate.

We will not pay any capital benefit for more than one Injury arising from the same event. We will pay You the highest applicable Capital Benefit.

You can only claim one capital benefit for any one Injury.

Additional modification benefit

Where Your Policy Certificate shows that You are covered for Capital Conditions 2-4, We will reimburse up to \$10,000 of the cost (reasonably incurred by you) of modifying Your motor vehicle or home or for relocating You to a suitable home as a result of suffering from such conditions. We will only reimburse You for these costs if You obtain Our written consent prior to making any such modification to Your motor vehicle or incurring any such relocation costs.

No	Capital Conditions	Capital Benefit *
1	Death	100%
2	Permanent Total Disablement	100%
3	Paralysis	100%
4	Permanent Total Loss of sight of both eyes	100%
5	Permanent unsound mind to extent of legal incapacity	100%
6	Permanent Total Loss of sight of one eye	50%
7	Permanent Total Loss of hearing in both ears	75%
8	Permanent Total Loss of hearing in one ear	15%
9	Third degree burns and/or resultant disfigurement received from fire or chemical reaction which extend to cover more than 40% of the entire external body	50%
10	Permanent Total Loss of four fingers and the thumb of either hand	70%
11	Permanent Total Loss of four fingers of either hand	40%
12	Permanent Total Loss of one thumb of either hand:	
	a) both joints	30%
	b) one joint	15%
13	Permanent Total Loss of each finger of either hand:	
	a) three joints	10%
	b) two joints	7%
	c) one joint	5%

14	Permanent Total Loss of toes of either foot:	
	a) all - one foot	15%
	b) great - both joints	5%
	c) great - one joint	3%
	d) other than great, each toe	1%
15	Fractured leg or patella (knee cap) with established non-union (meaning the bones fail to join properly)	10%
16	Shortening of leg by at least 5cm	7%

* Percentage of the Capital Sum Insured in the Policy Certificate

Section 3 - Business Expenses Benefit

This Benefit only applies if Your Policy Certificate shows that You are covered for the Business Expenses Benefit. It is only available if You are covered for the Injury Benefit or the Injury and Sickness Benefit.

A Business Expenses Waiting Period applies for the Business Expenses Benefit. We will not pay You any benefit for or during the Business Expenses Waiting Period. We start paying the relevant benefit from the end of the Business Expenses Waiting Period.

You can select Your Business Expenses Waiting Period which will be shown on Your Policy Certificate.

If We have agreed to pay You a weekly benefit under Your Injury and/or Sickness Cover (see Section 1) because You are Totally Disabled, We will pay the lesser of:

- the Business Expenses Benefit shown on Your Policy Certificate; and
- Your actual weekly Business Expenses which You continue to incur while You are receiving the relevant Weekly Injury Benefit or Weekly Sickness Benefit and which are not reimbursed from elsewhere.

The Business Expenses Benefit is paid fortnightly in arrears on the same day as Your Weekly Injury Benefit or Weekly Sickness Benefit is paid (please refer to clause 1.4 at page 14). We will pay one-seventh (1/7th) of the weekly benefit for each day that benefits are payable.

Payment for any Business Expense that covers a period of time will be apportioned having regard to the period to which the Business Expense relates.

The maximum period for which the Business Expenses Benefit is paid is 52 weeks. This maximum applies to all Business Expenses Benefit claims made under the policy and is not a separate maximum for each claim.

We only pay the Business Expenses Benefit if You are Totally Disabled. We will not pay it if You are Partially Disabled.

Part B: Your cover continued...

Section 4 - Exclusions

- 4.1** No compensation or benefit is payable under this Policy for any event caused by, arising out of, or in any way related to or connected with:
- (a) declared or undeclared War or Civil Hostilities;
 - (b) Utilisation of Weapons of Mass Destruction or any Terrorist Activity;
 - (c) the use, existence or escape of nuclear material or ionizing radiation, or contamination by radioactivity from any nuclear fuel or other nuclear substance;
 - (d) Your own criminal act;
 - (e) Your being under the influence of alcohol or drugs (other than drugs prescribed by a Medical Practitioner and taken as directed);
 - (f) Acquired Immune Deficiency Syndrome (AIDS) or AIDS related Complex (ARC) howsoever this syndrome has been acquired or may be named;
 - (g) any mental disorder or disease of any kind including, without limitation, depression, emotional disorder, stress or anxiety;
 - (h) alcoholism or illicit drug use;
 - (i) participating in, or training for, any professional sport; or any code of football as an amateur (unless You are specifically insured for this by endorsement shown on the Policy Certificate);
 - (j) participating in motor sports of any kind including practice or time trials;
 - (k) flying, parachuting, hang gliding, or any other aerial activity except as a fare paying passenger on an airline with scheduled flights;
 - (l) suicide or attempted suicide; intentional self-injury or attempted intentional self-injury;
 - (m) any Pre Existing Condition.
 - (n) any other exclusion set out in the Policy Certificate.
- 4.2** We will not pay any benefits under Section 1 or Section 3 of this Insurance after You die.
- 4.3** We will not pay any benefit that if the benefit were paid, that payment would constitute the carrying on of a "Health Insurance Business" as defined under the National Health Act, 1953 (Cth), the Private Health Insurance Act, 2007 (Cth) or any succeeding legislation to those Acts.
- 4.4** Paragraph (g) of clause 4.1 does not apply to Capital Condition No. 5 – permanent unsound mind to extent of legal incapacity – caused by an Injury.
- 4.5** We will not pay any benefit for any event covered under this policy if at the time of the Injury or Sickness or at the time of entering into Your Policy You were not legally resident in Australia or were not legally entitled to work in the occupation shown in Your Policy Certificate or any other eligible occupation for which We have agreed to cover You.

Section 5 - General Conditions

Your contact details

- 5.1** Notices and other information concerning this policy will be sent to You at the address last advised to Us. It is important that We be advised of any changes to Your contact information.

Change of occupation

- 5.2** Cover is provided for You on the basis that You continue in the occupation shown in Your Policy Certificate. If You change Your occupation, You must notify Us and cover is only continued if We confirm that cover continues for You in Your new occupation. If You are covered in Your new occupation, it may be on different terms.

- 5.3** If You make a claim and at the time of the event giving rise to the claim, You have changed Your occupation and We have not confirmed that cover continues for You in Your new occupation, then if Your new occupation:

- is one which We would not have insured, Your claim may be declined; or
- is one which represents a greater risk than the one for which You were previously insured, You may have to pay an additional premium which reflects the additional risk.

Notices

- 5.4** Notices should be sent to AFA at the address shown on the back page of this PDS. If either You or AFA or the insurer sends a notice by post, the notice is regarded as having been received at the time it would have been delivered in the ordinary course of the post.

Taxation Impacts

- 5.5** If You buy the Personal Accident and Sickness Insurance, in most cases, the part of the premium You pay for the Weekly Benefits (and Business Expenses Benefit, if it applies) coverage is tax deductible and the benefits paid would be treated as assessable income. On the other hand, that part of the premium You pay for the Capital Benefit coverage, in most cases is not tax deductible and the benefits would not be subject to personal income tax. Your Policy Certificate will show how the premium is split between the Weekly (and Business Expenses Benefit, if it applies) and Capital Benefits.

- 5.6** This taxation information is of a general nature only and is based on Our interpretation of the tax laws and rulings at the issue date of this PDS. As individual circumstances may be quite different, We recommend that You consult a taxation adviser in relation to Your personal position.

Part B: Your cover continued...

Paying for the insurance

Instalments

- 5.7** Cover under the policy only starts if You pay the premium. If Your premium is payable by instalments (monthly, quarterly or half-yearly) You must pay the instalments when due to keep the policy in force.
- 5.8** We may cancel the policy by giving notice if any instalment of premium has remained unpaid.
- 5.9** If an instalment remains unpaid for at least 14 days, We may refuse to pay any claim that arises after the unpaid instalment was due.
- 5.10** We may deduct from any claim amount benefit payment, any unpaid premium or instalment of premium.

Cancellation Rights

Cancellation by you

- 5.11** You may cancel Your policy at any time by notifying Us in writing.
- 5.12** The cancellation will take effect from the earlier of the date of Your written notice or at 4.01pm AEST on the date We receive Your written cancellation.

When We can cancel the policy

- 5.13** We may also avoid or cancel the policy when We are legally entitled to do so.
- 5.14** If the policy is cancelled, We will give You written notice, whether personally or by post to Your last known address. The cancellation will be effective from 4.01pm on the third day after the day it is given to you, unless a later date is specified.
- 5.15** If You are covered on an Agreed Value basis and You pay Your annual premium in advance, then if You cancel Your Policy, We will not refund the premium. If You are not covered on an Agreed Value basis, we will refund the premium for the period from the date Your policy was cancelled to the due date of the policy.

Section 6 - Claiming a benefit

- 6.1** You must tell AFA as soon as possible after You sustain an Injury or a Sickness which may give rise to a claim under the policy. We may reduce the amount of a benefit, or may refuse to pay the claim to the extent that We are prejudiced by late notification of the claim.

Claim Forms

- 6.2** When You notify Us of a potential claim, We will send You claim forms which must be completed and returned to Us within 30 days.
- 6.3** A medical certification will be required by Your Medical Practitioner in the format We provide to You so Your claim can be assessed. You must meet the cost of these medical certifications.
- 6.4** For weekly benefits, ongoing medical certifications will be required. You must meet the cost of these medical certifications.

- 6.5** We may also require You to undergo medical examinations, and vocation and/or rehabilitation assessments but, if this is required, We will meet those costs.

Other Information

- 6.6** We may ask You to provide such evidence to support Your entitlement to a benefit as We may reasonably request. This evidence may include, but is not limited to the following:
- written authorities allowing Us to access medical, financial or other relevant information, which may include personal and sensitive information;
 - in the case of a weekly benefit, evidence of Your Pre Disability Earnings, details of income or periodic payments You received from other sources except where We have insured You on an Agreed Value basis. We may require verification of this information by way of a financial audit;
 - details of any other insurance covering the same, or similar, condition for which You are making the claim;
 - in the case of a Business Expense benefit any proof of evidence We require of the expense being incurred in the 12 months prior to the date of Total Disability and the continuation of the expense after the date of Total Disability.

Part B: Your cover continued...

Your co-operation

- 6.7 When making a claim You are under a duty to act with utmost good faith. We owe the same duty to You in assessing the claim. You must therefore co-operate with Us and comply with Our reasonable requests in assessing the claim.

Subrogation

- 6.8 We are entitled to commence or take over legal proceedings in Your name for the defence or settlement of any claim, or to sue or prosecute any other person to recover any monies payable by them at law. You must not take any action to prejudice any such right of recovery and must co-operate and do all things necessary to enable the recovery action to be prosecuted. This includes providing any statements, documents or assistance We require, including the giving of evidence in court.

Glossary

In Your Policy some words have a special meaning (whether expressed in the singular or the plural) and We define them below:

Accident means a sudden, unexpected, unusual, specific event, which occurs fortuitously at an identifiable time and place and is unforeseen or unintended by you.

AFA means AFA Pty Ltd acting as agent of the insurer.

Business Expenses means Your fixed business expenses of the kind incurred in producing Your income in the 12 months immediately prior to being Totally Disabled and which continue to be incurred while You are receiving the weekly benefit because You are Totally Disabled. They include, as applicable:

- employees wages, superannuation, workers compensation premiums, payroll tax;
- rent, property rates, electricity, water, gas or telephone charges;
- lease payments for equipment or motor vehicles;
- cleaning expenses; and
- other expenses that are usual for Your type of business and for which You are entitled to claim as business expenses for income taxation purposes (except depreciation).

They do not include:

- depreciation;
- cost of purchase of capital equipment;
- personal accounts or expenses;
- withdrawals or cash drawings from the business for personal use;
- wages, salaries or fees for You or Your replacement or a replacement for any person who is not Your employee; or
- the cost of stock or merchandise.

Injury means a bodily injury resulting solely and directly from an Accident, where the injury and Accident occur during the Period of Insurance. For the avoidance of doubt, the following would not be an injury:

- a Sickness or a condition ordinarily described as being a Sickness;
- a Pre Existing Condition;
- the aggravation of a condition which existed before the start of the period during which cover is provided under the policy; or
- any degenerative or congenital condition or other condition which does not result solely and directly from an Accident.

Medical Practitioner means a legally qualified doctor (including a General Practitioner, Physician, or Specialist) currently registered to practice in Australia, who is not Your spouse, or a member of Your family or Your business associate and is acting within the scope of their registration and pursuant to the relevant laws.

Paralysis means the total and permanent loss of the use of:

- both Your lower limbs (paraplegia); or
- both Your lower limbs and both Your upper limbs (quadriplegia), due to spinal cord injury.

Partial Disablement, Partial Disability, Partially Disabled is where You have been continuously Totally Disabled as the result of an Injury (but not a Sickness) for which You have received a Total Disability Benefit and immediately after that period of Total Disability You are capable of returning to work in reduced or alternative light duties and/or reduced hours

Period of Insurance means the period during which cover is provided under the policy as set out in Your Policy Certificate.

Permanent Total Disablement means Total Disablement which continues for twelve (12) consecutive calendar months and at the expiry of that time in Our opinion is beyond hope of improvement and which entirely prevents You forever from engaging in any profession, occupation or employment for which You are reasonably qualified by training, education or experience.

Permanent Total Loss means the full and permanent loss of the use of the part of Your body referred to in the Capital Conditions resulting from an Injury (not Sickness) only.

Pre Disability Earnings means the weekly equivalent of:

- (a) if You are self employed or a working director, Your gross annual income from Your personal exertion less any costs and or expenses incurred in deriving that income in the 12 months prior to the Injury or Sickness (if applicable) or any shorter period that You have been engaged in Your occupation which caused Your Total Disability.
- (b) if You are an employee, Your gross annual remuneration from Your employer for Your personal exertion, averaged over the 12 months prior to the Injury or Sickness (if applicable) which caused Your Total Disability, exclusive of over time payments, bonuses, commissions or allowances.

Pre Existing Condition means a sickness, illness, disease, injury, condition, (including any side-effect or symptoms of a condition) of which You were aware of or of which a reasonable person in the circumstances could be expected to have been aware of, or for which You have received or sought medical attention or treatment or for which You have undergone testing prior to the commencement of the Period of Insurance.

Pre existing conditions specifically include congenital or degenerative conditions for which You have been diagnosed or were aware of or of which a reasonable person in the circumstances could be expected to have been aware of prior to the commencement of the Period of Insurance regardless as to whether You were at that time or subsequently being treated for them.

Sickness means an illness, sickness or disease that is not an Injury and which occurs solely, directly and independently of any other cause or condition (including, but not limited to any Injury or Pre Existing Condition other sickness illness, disease, congenital or degenerative condition) which existed prior to the Period of Insurance.

Terrorist Activity means an act, or acts, of any person, or group(s) of persons, committed for political, religious, ideological or similar purposes with the intention to influence any government and/or to put the public, or any section of the public, in fear. Terrorist activity can include, but not be limited to, the use of force or violence and/or the threat thereof. Furthermore the perpetrators of terrorist activity can either be acting alone, or on behalf of, or in connection with, any organisation(s) or government(s).

Total Disablement, Totally Disabled, Total Disability means You are entirely and continuously unable to engage in Your usual occupation or employment, for which You are covered under Your Policy, or from any other occupation, profession or business which in Our opinion You are qualified to perform based on Your education, training or experience and:

- You are not working in any employment or occupation; and
- You are under the regular care and attendance of and following the advice and treatment recommended by, a Medical Practitioner.

Utilisation of Weapons of Mass Destruction means the use, emission, discharge, dispersal, release or escape of any nuclear, chemical or biological weapon, compound or organism capable of causing disablement or death amongst people or animals.

War or Civil Hostilities this includes declared or undeclared war; civil war; invasion; hostilities; war like operations; act of an enemy foreign to Your nationality or country in, or over, which the act occurs; riot; rebellion; insurrection; revolution (including the overthrow of the legally constituted government); civil commotion (where this assumes the proportion of, or amounts to, an uprising); military or usurped power; explosions of war weapons.

We Us and Our means AFA Pty Ltd as agent of The Hollard Insurance Company Pty Ltd

You, Your or Yours means the insured(s) named in the Policy Certificate.