

LOAN PROTECTION

FOR HOME LOAN CUSTOMERS.

**Insurance to help pay your
home loan if you're unable to
work or if you pass away.**

Product Disclosure Statement (PDS) and Policy Document.
Effective 24 June 2017



KEY INFORMATION

The Key Information summarises the benefits and exclusions that apply to Home Loan Protection. The words in italics have the meanings set out in the Glossary starting on page 16. Home Loan Protection means Loan Protection for Home Loan Customers.

What is Home Loan Protection?

Home Loan Protection is optional insurance from CommInsure which could:

- help pay your *minimum monthly repayment*, if you lose your job or if you're unable to work,
- pay a lump sum off your *home loan* if you suffer from a *trauma*, or
- pay your outstanding *home loan* balance if you suffer a *terminal illness* or pass away.

You can choose from two types of cover; Loan Repayment Cover and Loan Cover. You may choose to have both. You should read this document carefully to understand the terms, conditions and exclusions that apply to each type of cover.

The benefits of each cover option are shown in the table below. All benefits payable are subject to maximum amounts and/or the level of cover that you have chosen as described in this PDS.

Loan Repayment Cover		Loan Cover		
Unemployment	Disability	Trauma ¹	Terminal Illness ²	Death ²
If you are unable to work because of an injury or illness, or if you lose your job involuntarily, this cover could help pay your <i>minimum monthly repayment</i> .		If you are diagnosed with cancer, have a heart attack, stroke or coronary artery disease requiring bypass surgery, this cover could pay an amount equalling 10% of your <i>home loan</i> balance as at the date your policy started, or an amount otherwise agreed with you.		If you become <i>terminally ill</i> or pass away, this cover could pay a lump sum off your <i>home loan</i> , or your outstanding <i>home loan</i> balance.

¹Only one *trauma* benefit, will be paid for each person covered, and once paid, *trauma* cover for that person ends. *Trauma* cover conditions, such as heart attack and cancer, have specific meanings, and a benefit is only payable if you meet the precise meaning of the definitions set out in Home Loan Protection Medical Definitions Reference Guide, which you can find at commbank.com.au/LPD.

²Only one *terminal illness* or death benefit, will be paid for each person covered, and once paid, cover for that person ends.

Eligibility

Home Loan Protection is available to Commonwealth Bank *home loan* customers who are aged between 18 and 54 years, and living in Australia. If there is more than one borrower on your *home loan*, you can cover them both under the one policy (see page 12).

How much it costs

When you apply for Home Loan Protection, you'll receive a monthly premium estimate based on your age, your *home loan* size and the cover options that you have selected and which you will find in your policy schedule (see page 11). The minimum monthly premium is \$25.

Level of cover

This refers to the amount that we will pay to you under Loan Cover and Loan Repayment Cover if you make a claim and that claim is accepted by us. There are a number of ways in which you can change or choose your level of cover.

- You can choose a level of cover of either 25%, 50%, 75% or 100% of the Loan Cover maximum benefits or Loan Repayment Cover benefits. Choosing a lower percentage reduces your premium (subject to the minimum monthly premium of \$25) and the benefits that you may receive. This is referred to as Partial Cover. See page 12. You will find your details of the benefits payable outlined in the table titled "A summary of the benefits and exclusions".

- You can request a decrease to your maximum benefit at any time, however a request to increase your maximum benefit is subject to the policy eligibility. This may decrease or increase your premium (subject to the minimum monthly premium of \$25) respectively.
- Refer to page 6 to understand the risks associated with this policy.

How to apply for Home Loan Protection

To apply you can:

- complete an application at any Commonwealth Bank branch, or
- apply online through NetBank, or
- call us on **13 2221**.

When you apply we will not ask any medical questions (including smoking status).

The cooling-off period

From the day we send you the policy schedule, you have 30 days to consider whether the policy meets your needs (the 'cooling-off period'). Within this period you can cancel the policy by contacting us and we will refund in full, any premiums you have paid.

A summary of the benefits and exclusions

This table is a summary of the key benefits and exclusions. Please refer to pages 8 and 10 for full details of the exclusions.

	Loan Repayment Cover		Loan Cover		
	Unemployment	Disability	Trauma	Terminal Illness	Death
Benefits					
What event does this benefit cover?	If you lose your job involuntarily and are actively seeking work.	If you are unable to work due to illness or injury.	If you are diagnosed with cancer, have a heart attack, stroke or coronary artery disease requiring bypass surgery.	If you have less than 24 months to live.	If you pass away.
How much does this benefit pay if this is my first claim under the policy? Benefits payable may be impacted by Partial Cover where selected.	Your <i>minimum monthly repayment</i> , on the day you became aware that you will be <i>unemployed</i> .	Your <i>minimum monthly repayment</i> , on the day you became <i>disabled</i> .	An amount equalling 10% of your <i>home loan</i> balance, as at the date your policy started, or an amount otherwise agreed with you.	Your outstanding <i>home loan</i> balance when you are medically certified as <i>terminally ill</i> .	Your outstanding <i>home loan</i> balance on the day you pass away.
What is the maximum benefit paid? Maximum benefits payable are adjusted for Partial Cover where selected.	The lesser of: <ul style="list-style-type: none"> 1% of the <i>home loan</i> balance as at the date the policy started, or an amount otherwise agreed with you, per month for up to 12 months \$7,500 per month, for up to 12 months. 	The lesser of: <ul style="list-style-type: none"> 10% of the <i>home loan</i> balance, as at the date the policy started, or an amount otherwise agreed with you, or \$75,000. 	The lesser of: <ul style="list-style-type: none"> 10% of the <i>home loan</i> balance, as at the date the policy started, or an amount otherwise agreed with you, or \$750,000. 		
Key Exclusions					
Are there employment requirements I must meet before I can claim?	You must be <i>employed</i> for an average of 15 hours per week for 90 consecutive days, in <i>employment</i> that is not seasonal, immediately before your claim event.		No		
Is there a qualifying period?	You can't claim if you lose your job or become aware that you will lose your job, within 60 days of taking this cover.	You can't claim if your <i>disability</i> was caused by illness or you were aware of your illness, within 30 days of taking this cover. ¹	You can't claim if you suffer a <i>trauma</i> or become aware of the <i>trauma</i> , within 90 days of taking this cover.	No	
Is there a waiting period?	Yes, you must be out of work for 30 consecutive days before you can claim.	Yes, you must be <i>disabled</i> for at least 30 consecutive days before you can claim.	No		
Are there other important exclusions?	You can't claim if you resign, accept voluntary redundancy, abandon your <i>employment</i> or retire.		You can't claim for pre-existing conditions. Refer to example 1 and 2, page 4.		

¹There is no qualifying period for *disability* caused by injury.

Pre-existing Conditions

The following examples demonstrate how pre-existing condition exclusions apply.

Example 1

Disability Benefit

Scott suffered lower back pain and received treatment prior to purchasing his policy. After purchasing his policy, he had a recurrence of the same lower back pain and submitted a *disability* claim. Scott's claim was declined, as this is a recurrence of the same lower back pain he had prior to purchasing his policy. Please refer to page 8 for the pre-existing condition exclusion that applies to *disability* benefits.

Trauma Benefit

Brendan suffered from cancer and received treatment prior to purchasing his policy. After purchasing his policy, he had a recurrence of the same cancer and submitted a *trauma* claim. Brendan's claim was declined, as this is a recurrence of the same cancer he had prior to purchasing his policy. Please refer to page 10 for the pre-existing condition exclusion that applies to *trauma* benefits.



Example 2

Terminal Illness and Death Benefit

Sarah has symptoms of a medical condition and goes to see her *doctor* for treatment. Sarah purchases a policy shortly after her treatment, but her condition worsens over time and she is diagnosed by her *doctor* as having less than 24 months to live. Sarah's claim would be declined in this instance, as she had symptoms and received treatment for her condition within the 12 months prior to purchasing her policy. Please refer to page 10 for the pre-existing condition exclusion that applies to the *terminal illness* benefit.



CONTENTS

Your Policy

Loan Repayment Cover	07
Unemployment	07
Disability	07
When we won't pay (exclusions)	08
Loan Cover	09
Trauma	09
Terminal Illness and Death	09
When we won't pay (exclusions)	10

How your policy works

When your policy starts	11
When your policy ends	11
Your premium	11
Your cover	11
Changing your policy	12
Cancelling your policy	13
Making a claim	13
Important information	13
Privacy	14
Contact Us	15

Glossary

Medical Definitions Reference Guide	16
Defined terms	16

About this document

This PDS is designed to help you decide whether to buy Home Loan Protection.

The information it contains does not take into account your objectives, financial situation or needs and you should consider whether it's appropriate before deciding whether to buy Home Loan Protection. All examples in this PDS are for illustrative purposes only. All benefits will be determined in accordance with the relevant policy terms. All references to monetary amounts are in Australian dollars. This PDS references the Home Loan Protection Medical Definitions Reference Guide, which is available at commbank.com.au/LPD.

The information in this PDS is current as at the date stated on the cover, however it is subject to change. If we make a change that is materially adverse to the insureds, you will be notified in writing by way of a Supplementary Product Disclosure Statement (SPDS) or a new PDS. Where a change in information is not materially adverse, we will not issue a SPDS or new PDS. However, you will be able to find the information about any changes at commbank.com.au/loanprotection or you can contact us to request details of the changes in writing, which we will send you free of charge.

This PDS (other than pages 2, 3 and 4) is also your policy document for Home Loan Protection. Together with your policy schedule, the Home Loan Protection Medical Definitions Reference Guide and the policy document make up your insurance contract (the policy) with us.

The insurance described in this PDS is only available to customers living in Australia, who are aged between 18 and 54 years.

About us

This PDS and policy is issued by The Colonial Mutual Life Assurance Society Limited ABN 12 004 021 809 AFSL 235035 (CMLA) a wholly-owned, non-guaranteed subsidiary of Commonwealth Bank of Australia ABN 48 123 123 124. Commonwealth Bank of Australia and its subsidiaries (other than CMLA) do not guarantee the obligations or performance of CMLA or the products it offers. Commlnsure is a registered business name of CMLA.

CMLA guarantees the benefits payable under Home Loan Protection. Under Home Loan Protection, premiums are paid to, and benefits are paid from, CMLA's Statutory Fund No.5. This policy has no savings element or surrender value and will not participate in the profits or surpluses of CMLA or CMLA's Statutory Fund No. 5.

The policy is an agreement between the policyowner and CMLA. It is governed by the laws of the State of New South Wales and can't be assigned by the policyowner to another person. CMLA's principal office of administration is Level 1, 11 Harbour Street, Sydney NSW 2000.

Commlnsure is proud to be a signatory to the Life Code of Practice effective 1 July 2017. For more information on the Code visit www.commbank.com.au/about-us/customer-commitment/practices/codes-of-conduct.

Meaning of words

The italicised words in this PDS have a particular meaning. Please see the Glossary on page 16 for these definitions.

In addition, in this document:

We/Us/Our – refers to the insurer, CMLA.

You – depending on the context, means either:

- The person applying for cover before Home Loan Protection is purchased; or
- The policyowner and person insured as named on the policy schedule.

Multiple policyowners hold the policy jointly.

Home Loan Protection means:

- Loan Protection for Home Loan customers.

Understanding the risks

- You should be aware that we only provide cover under Home Loan Protection for *unemployment, disablement, trauma, terminal illness* and death.
- The extent to which *terminal illness* and death benefits are payable under Home Loan Protection is measured by reference to the amount you owe on your *home loan*, at the time that you suffer a claim event.
- The amount that we pay for *terminal illness* and death reduces as you pay off your *home loan*, but your premium remains the same.
- The extent to which *unemployment* and *disablement* benefits are payable under Home Loan Protection is measured by reference to your *minimum monthly repayment* on your *home loan*, at the time you suffer a claim event or become aware a claim event will occur.
- Any changes that impact your *minimum monthly repayment* on your *home loan*, will impact the benefits payable under *unemployment* and *disablement*, but your premium remains the same.
- If you increase your *home loan* amount, Home Loan Protection may not cover your new debt arrangements.

YOUR POLICY

Loan Repayment Cover

Loan Repayment Cover applies if your policy schedule includes the words ‘Loan Repayment Cover’. The words in italics have the meanings set out in the Glossary starting on page 16.

Unemployment

When do we pay?

We'll pay an *unemployment* benefit if:

- you were *employed* for at least 90 consecutive days immediately before you became *unemployed*,
- you've been *unemployed* for at least 30 consecutive days (your waiting period), and
- while you're *unemployed* you're actively seeking work in Australia.

Disability

When do we pay?

We'll pay a *disability* benefit if:

- you were *employed* for at least 90 consecutive days immediately before you became *disabled*,
- you've been *disabled* for at least 30 consecutive days (your waiting period), and
- a *doctor* certifies that you are *disabled*. Until we receive this certification we won't consider you to be *disabled*.

How much do we pay?

The *unemployment* or *disability* benefit that we will pay for each day that you are *unemployed* or *disabled* is 1/30th of the monthly benefit. The monthly benefit is the lesser of:

- the *minimum monthly repayment* that you are required to pay on your *home loan*, or
- 1% of the *home loan* balance, as at the date the policy started, or as otherwise agreed with you as shown on your policy schedule, or
- \$7,500.

To understand how much we will pay if you have Partial Loan Repayment Cover, please refer to page 12.

The minimum benefit we will pay is \$600 per month.

We calculate how much to pay by dividing your monthly benefit by 30 days and applying this to each day that you are *unemployed* or *disabled*. We start to pay the benefit after the end of the waiting period.

It's important to remember that your *minimum monthly repayment* may not be the same as the amount you actually pay off your *home loan* each month. For example, if the bank requires you to pay a *minimum monthly repayment* of \$2,000, and you are making payments of \$3,000, the *minimum monthly repayment* under your policy is \$2,000.

If you become *unemployed* again within 90 days of the end of a previous period of *unemployment*, we treat the two periods as one continuous period of *unemployment*.

If you become *disabled* again by the same injury or illness within 30 days of the end of a previous period of *disablement*, we treat the two periods as one continuous period of *disablement*.

Unemployment benefit example:

John has been *unemployed* for 60 days and, on the day he became *unemployed*, his *minimum monthly repayment* was \$3,600. If John's claim is accepted, we pay \$3,600 to his *home loan* account.

- We divide the *minimum monthly repayment* by thirty days ('30') to calculate a daily amount ($\$3,600 / 30 = \120 per day).
- We multiply the daily amount by the number of days of *unemployment* minus the waiting period.
- $\$120$ per day x 30 days (60 days minus the 30 day waiting period) = \$3,600 paid to his *home loan* account.

Disablement benefit example:

Emma has been *disabled* for 100 days and, on the day she became *disabled*, her *minimum monthly repayment* was \$1,500. If Emma's claim is accepted, we pay \$3,500 to her *home loan* account.

- We divide the *minimum monthly repayment* by thirty days ('30') to calculate a daily amount ($\$1,500 / 30 = \50 per day).
- We multiply the daily amount by the number of days of *disability* minus the waiting period.
- $\$50$ per day x 70 days (100 days minus the 30 day waiting period) = \$3,500 paid to her *home loan* account.

How do we pay?

We calculate the *unemployment* and *disability* benefit daily and pay it either fortnightly or monthly (or as we've otherwise agreed with you) in arrears. We pay the benefit to your *home loan* account, and we do this for each day you continue to be *unemployed* or *disabled*, for up to 12 months.

We'll only pay either the *unemployment* or *disability* benefit at any one time, regardless of whether:

- there is more than one person insured on the policy,
- more than one person insured is *unemployed* and/ or *disabled*,
- one person insured is both *unemployed* and *disabled*.

When we won't pay (exclusions)

Unemployment

We won't pay if:

- you resign, accept voluntary redundancy, take early retirement or abandon your *employment*,
- you become *unemployed*, directly or indirectly, because your job is seasonal in nature or because your fixed term contract or specified period of work ends,
- you don't meet the qualifying period: you become *unemployed*, or become aware that you will be *unemployed*, and the *unemployment* or your awareness, as applicable, occurs before, or within 60 days after:
 - i. your cover start date,
 - ii. the date your benefit amount was increased (this applies only to the increased amount), or
 - iii. the date your policy was re-instated,
- we've paid a death benefit or *terminal illness* benefit for you under your policy or such a benefit is payable,
- we're already paying an *unemployment* benefit or *disability* benefit for another person insured under the policy (see page 7),
- your *unemployment* cover or this policy has ended (see page 11).

We stop paying on the earlier of:

- the date your *home loan* is paid off,
- the date we've paid 12 months worth of *unemployment* benefits for any one continuous period of *unemployment*,
- the day you:
 - i. *return to work*,
 - ii. stop actively looking for work in Australia,
 - iii. permanently retire, or
 - iv. die,
- the end date of your contract, if you were *employed* on a fixed-term contract,
- the date we pay a death benefit or *terminal illness* benefit for a person insured under your policy,
- the date your *unemployment* cover or this policy has ended (see page 11).

Disability

We won't pay if:

- you're *disabled* due to an intentionally self-inflicted injury or infection (including attempted suicide), caused by you, whether you're sane or insane, within the 12 months after:
 - i. your cover start date,
 - ii. the date your benefit amount was increased (this applies only to the increased amount), or
 - iii. the date the policy was re-instated,
- you don't meet the qualifying period: the illness that caused the *disablement* occurred, was first diagnosed, the symptoms of it became apparent, or you received professional medical advice or treatment for the related condition on or within 30 days after:
 - i. your cover start date,
 - ii. the date your benefit amount was increased (this applies only to the increased amount), or
 - iii. the date the policy was re-instated,
- you have a pre-existing condition: the injury or illness that caused the *disablement* occurred, was first diagnosed, the symptoms of it became apparent, or you received professional medical advice or treatment for the related condition before:
 - i. your cover start date,
 - ii. the date your benefit amount was increased (this applies only to the increased amount), or
 - iii. the date the policy was re-instated,
- we've paid a death benefit or *terminal illness* benefit for you under your policy, or such a benefit is payable,
- we're already paying an *unemployment* benefit or *disability* benefit for another person insured under the policy (see page 7),
- your *disablement* cover or this policy has ended (see page 11).

We stop paying on the earlier of:

- the date your *home loan* is paid off,
- the date we've paid 12 months worth of *disablement* benefits for any one continuous period of *disablement*,
- the day you:
 - i. *return to work* or the *disability* no longer prevents you from doing so,
 - ii. permanently retire, or
 - iii. die,
- the date we pay a death benefit or *terminal illness* benefit for a person insured under your policy,
- the date your *disablement* cover or this policy has ended (see page 11).

Loan Cover

Loan Cover applies if your policy schedule includes the words 'Loan Cover'. The words in italics have the meanings set out in the Glossary starting on page 16.

Trauma

How much do we pay?

If you suffer a *trauma*, we'll pay a *trauma* benefit equal to the lesser of:

- 10% of the *home loan* balance, as at the date the policy started, or an amount otherwise agreed with you as shown on your policy schedule, or
- \$75,000.

To understand how much we will pay if you have Partial Loan Cover, please refer to page 12.

The minimum benefit we will pay is \$2,000.

How do we pay?

We pay the *trauma* benefit to your *home loan* account. If paying the *trauma* benefit results in any early loan repayment or similar fees, we'll pay these as well. If, on the date we pay, the *trauma* benefit is more than the amount required to pay off the *home loan*, we'll pay the balance to you.

The *trauma* benefit covers cancer, coronary artery disease requiring bypass surgery, heart attack and stroke which have specific meanings and a benefit is only payable if you meet the precise meaning of the definition as set out in Home Loan Protection Medical Definitions Reference Guide. You can find that document at commbank.com.au/LPD. You should read that document carefully, along with this PDS, to ensure this product is appropriate for you.

We will only pay a *trauma* benefit once for each person whose life is insured under your policy.

When we pay a *trauma* benefit, your maximum benefit is reduced by the amount we pay, and your premiums will also decrease (subject to the minimum monthly premium of \$25). We'll recalculate your premiums using your age when your cover started and your new maximum benefit. This recalculation will occur when your *trauma* benefit is paid and we'll advise you of your new maximum benefit.

Terminal Illness and Death

How much do we pay?

If you are certified *terminally ill*, we pay a *terminal illness* benefit, or if you die, we pay a death benefit. The benefit we pay is equal to the lesser of:

- the amount required to pay off your *home loan* on the date you were certified *terminally ill*, or on the date of your death (whichever is applicable), or

- the *home loan* balance, as at the date the policy started or an amount otherwise agreed with you as shown on your policy schedule, or
- \$750,000.

To understand how much we will pay if you have Partial Loan Cover, please refer to page 12.

How do we pay?

We pay the benefit to your *home loan* account. If paying the benefit results in any early loan repayment or similar fees, we'll pay these as well.

We will only pay one *terminal illness* or death benefit for each person whose life is insured under this policy. We never pay both benefits. Once paid, all cover for that person ends.

Trauma benefit example: Nick had an outstanding balance of \$250,000 owing on his *home loan* on the day he suffered a heart attack. When Nick first bought Home Loan Protection, his *home loan* balance was \$500,000 and he covered the entire amount of his *home loan*. If Nick's *trauma* claim is accepted, we pay a *trauma* benefit of \$50,000 off the balance of Nick's *home loan*. The *trauma* benefit is equal to 10% of Nick's *home loan* balance as at the day the policy started. As a result of this *trauma* payment, Nick's maximum death and *terminal illness* benefit will reduce by \$50,000 to \$450,000. Nick's premium will also reduce. Once paid, the *trauma* benefits for Nick will end.

Terminal Illness benefit example: Lily had a balance of \$200,000 owing on her *home loan* on the day she was certified as *terminally ill*. When Lily first bought Home Loan Protection, her *home loan* balance was \$400,000 and she covered the entire amount of her *home loan*. If Lily's claim is accepted, we pay a *terminal illness* benefit of \$200,000 off the balance of Lily's *home loan*. All cover under Lily's policy ends after the *terminal illness* benefit is paid.

Death benefit example: Anthony had a balance of \$300,000 owing on his *home loan* on the day that he passed away. When Anthony first bought Home Loan Protection, his *home loan* balance was \$500,000 and he covered the entire amount of that *home loan*. Anthony's parents are the executors of his estate, and if their claim is accepted, we pay a death benefit of \$300,000 off the balance of the *home loan*. All cover under Anthony's policy ends after the death benefit is paid.

When we won't pay (exclusions)

Trauma

We won't pay if:

- the *trauma* results from an intentionally self-inflicted injury or infection (including attempted suicide), caused by you, whether you're sane or insane, and the *trauma* occurs within the 12 months after:
 - i. your cover start date,
 - ii. the date your benefit amount was increased (this applies only to the increased amount), or
 - iii. the date the policy was re-instated,
- you don't meet the qualifying period: the *trauma* occurred, was first diagnosed or the first symptoms of the *trauma* became apparent, or you received professional medical advice or treatment for the *trauma*, on or within 90 days after:
 - i. your cover start date,
 - ii. the date your benefit amount was increased (this applies only to the increased amount), or
 - iii. the date the policy was re-instated,
- you have a pre-existing condition: the *trauma* occurred, was first diagnosed, the first symptoms of the *trauma* became apparent, or you received professional medical advice or treatment for the *trauma*, at any time before:
 - i. your cover start date,
 - ii. the date your benefit amount was increased (this applies only to the increased amount), or
 - iii. the date the policy was re-instated,
- you die from any cause within 30 days of first being diagnosed as suffering a *trauma*,
- a death benefit or *terminal illness* benefit has been paid, or is payable,
- this policy has ended (see page 11).

Terminal Illness and Death

We won't pay if:

- your *terminal illness* or death results from an intentionally self-inflicted injury or infection (including suicide or attempted suicide), caused by you whether you're sane or insane, and the death or *terminal illness* occurs within the 12 months after:
 - i. your cover start date,
 - ii. the date your benefit amount was increased (this applies only to the increased amount), or
 - iii. the date the policy was re-instated,
- you have a pre-existing condition: an injury or illness for which you had symptoms, or received professional medical advice or treatment for the related condition, within the 12 months before:
 - i. your cover start date,
 - ii. the date your benefit amount was increased (this applies only to the increased amount), or
 - iii. the date the policy was re-instated,
- the death or *terminal illness* benefit has been paid, or is payable,
- this policy has ended (see page 11).

HOW YOUR POLICY WORKS

When your policy starts

Your policy starts on your policy commencement date. This date is outlined in your policy schedule and we send this to you separately.

Your policy schedule shows:

- the person (or persons) insured under the policy,
- the policy start date,
- the type of cover for each person insured
- the *home loan* number, and
- the amount of cover.

The cover chosen for each person insured under the policy begins on the cover start date for that person (as shown in the policy schedule).

When your policy ends

Your policy and all our obligations under it end when any of the following events occur:

- you or we cancel your policy,
- all cover under your policy ceases in accordance with the terms of your policy, or
- the Commonwealth Bank formally discharges or cancels the *home loan* for which you are covered under this policy as shown on your policy schedule.

All cover for a person insured under the policy ends on the earliest of:

- the person dying,
- us paying a death benefit or *terminal illness* benefit for them,
- the policy anniversary date before their 65th birthday.

Your premium

When you apply for Home Loan Protection, you'll receive a quote for the estimated monthly premium and, when your cover first starts, we'll send you a policy schedule which confirms the monthly premium that is payable. In some circumstances, there may be a difference between the estimated premium when you first receive a quote from us, and the actual premium that you pay once you have drawn down on your *home loan*. The premium will never be less than the minimum monthly premium of \$25.

We charge the first premium after the policy start date.

Your premiums are calculated on your approved *home loan* amount and your age at the time this policy starts. This means that your premium does not increase with age and does not decrease as your *home loan* balance reduces.

The following factors influence the cost of the premiums that you pay:

- **Loan Size:** The larger the *home loan* amount at the time that you apply for Home Loan Protection, the higher the premium.
- **Age:** The older each person covered is at the time that you apply for Home Loan Protection, the higher the premium.
- **Cover Types:** Your premium will be higher if you choose both Loan Cover and Loan Repayment Cover, than if you choose just one or the other. If you choose one type of cover then add the other type later, your premium will increase.
- **Partial Cover:** Choosing a lower cover percentage reduces your Loan Cover maximum benefits or Loan Repayment Cover benefits and your monthly premium (subject to the minimum monthly premium of \$25).

You are responsible for paying the premiums for this policy. We require you to pay the premiums in advance in regular monthly instalments.

Your premiums will be waived whilst you are receiving an *unemployment* or *disability* benefit.

You can pay by direct debit from a bank account or by a credit card acceptable to us. We do not accept AMEX or Diners Club cards. You can change the way you pay at any time as long as we have a current and acceptable payment authority from you.

If we pay a *trauma* benefit, or if you ask us to decrease your level of cover, your premium reduces (subject to the minimum monthly premium of \$25).

We can change the rate at which your premium is charged and, if we do this, we will:

- if a higher rate is to apply, give you one month's notice (or longer period as required by law) before increasing the amount you pay each month, and
- change the rate for all policies issued on the same terms as your policy (i.e. we won't single out your policy).

If you ask us to increase your level of cover, you'll normally be required to pay a higher premium.

Your cover

As you pay off your *home loan* balance, the amount that we will pay for *terminal illness* and death reduces. Your premium will remain the same, unless you change your level of cover or we pay a *trauma* claim.

Changes to your home loan

If, after your policy starts, you make changes to the *home loan* which is insured under this policy, then you continue to be insured for an amount not exceeding the balance of the *home loan*, provided those amounts do not exceed maximum benefits payable.

Example:

- Brett has an approved *home loan* from Commonwealth Bank for \$500,000 at a variable interest rate.
- Brett's cover under this policy starts on 1 July with a maximum benefit of \$500,000.
- In December, Brett splits the *home loan* which is covered under this policy as follows: \$200,000 variable rate and \$300,000 fixed rate.
- Brett is covered up to \$500,000.

Joint cover

If there's more than one eligible borrower on the *home loan*, you can apply for joint cover. You will both be policyowners and will both be insured under the one policy, but you don't have to take the same combination of cover types. For example, you might have Loan Cover while your partner has both Loan Cover and Loan Repayment Cover.

Partial Cover

You can choose to insure less than 100% of the Loan Cover maximum benefits or Loan Repayment Cover benefits as outlined in the table on page 3 titled "A summary of the benefits and exclusions". You can choose to insure 25%, 50% or 75%. Choosing a lower percentage reduces your premium (subject to the minimum monthly premium of \$25) and the benefits that you may receive.

For a *home loan* over \$750,000, we only cover the chosen percentage for the first \$750,000. For example, 50% cover on a \$1 million *home loan* provides \$375,000 of cover (50% of \$750,000), not \$500,000.

If you have both Loan Repayment Cover and Loan Cover, the percentage insured must be the same for both cover types. If you apply for a joint cover policy and you choose Partial Cover, the percentage of cover you nominate (i.e. 25%, 50% or 75%) must be the same for all policyowners.

Partial Loan Repayment Cover

The *unemployment* and *disability* benefit that we will pay for each day that you are *unemployed* or *disabled* is 1/30th of the monthly benefit. The monthly benefit is the lesser of:

- the *minimum monthly repayment* that you are required to pay on your *home loan* (multiplied by the chosen percentage), or
- 1% of the *home loan* balance, as at the date the policy started, or as otherwise agreed with you as shown on your policy schedule (already adjusted to reflect your chosen percentage), or
- \$7,500 (multiplied by the chosen percentage).

You will never receive less than \$600 per month. These benefits are paid for up to 12 months.

Partial Loan Cover

If you become *terminally ill*, we pay a *terminal illness* benefit, or if you die, we pay a death benefit. The benefit we pay is equal to the lesser of:

- the amount required to pay off your *home loan* on the date you were certified *terminally ill*, or on the date of your death, whichever is applicable, or
 - the *home loan* balance, as at the date the policy started or an amount otherwise agreed with you as shown on your policy schedule (already adjusted to reflect your chosen percentage), or
 - \$750,000 (multiplied by your chosen percentage).
- If you suffer a *trauma*, we'll pay a *trauma* benefit equal to the lesser of:
- 10% of the *home loan* balance, as at the date the policy started, or an amount otherwise agreed with you as shown on your policy schedule (already adjusted to reflect your chosen percentage), or
 - \$75,000 (multiplied by your chosen percentage).

You will never receive less than \$2,000.

The right level of cover

Choosing a lower cover percentage reduces your premium by the same percentage (subject to our minimum monthly premium of \$25). For example, if you insured 50% of your *home loan*, your premiums will be 50% less than the amount that you would pay if you insured 100% of your *home loan*.

It's important to understand that any Partial Cover payment we make is unlikely to cover your entire *home loan* or *minimum monthly repayment*. Before choosing Partial Cover, please consider how this may affect your future financial situation.

Changing your policy

Change your level of cover

You can contact us at any time to change you cover:

- If you increase your level of cover, we will calculate a new premium based on your age at the time of your request.
- If you decrease your level of cover, we will calculate a new premium based on your age at the time your policy started.

You can request to increase your level of cover (subject to the conditions in this PDS) provided all persons named in the policy schedule are no older than 54 at the time we receive your requests.

If we accept your request to change your level of cover, we will tell you when your new level of cover becomes effective and the new premium and maximum benefit.

Changes to your Partial Cover

If you have Partial Cover you can request us to change the percentage already selected (subject to the conditions contained in this PDS) to 25%, 50%, 75% or 100% (up to a maximum of \$750,000) to suit your needs.

Changes to who is covered

You can change who is insured under your policy, however, only borrowers on your *home loan* can be covered. If you add or remove a person insured from your policy, we'll provide you with written confirmation of this change. The cover for each person insured under the policy begins from the cover start date for that person (as shown in your schedule).

How to request a change

To request a change you can:

- call us on **13 3982** between 8am and 8pm (Sydney time), Monday to Friday, or
- visit any Commonwealth Bank branch.

Cancelling your policy

How you can cancel your policy

You can cancel your policy at any time. To do this, call us on **13 3982** between 8am and 8pm (Sydney time), Monday to Friday.

Your policy and all cover under it will end on the day we process your cancellation request. Your policy does not have any cash value when you cancel it. If you cancel the policy after the cooling-off period you will not receive a refund of any premiums paid.

When we may cancel your policy

If you don't pay your monthly premium within one calendar month of the due date, we can cancel your policy on any date we nominate. If we do this we'll write to you. We will not accept claims for events that happen after your policy is cancelled.

If we cancel your policy due to overdue premiums, you can ask us to re-instate your policy, provided your premiums are not overdue for more than three months. If we agree to re-instate your policy, you must pay all outstanding premiums.

If your policy is cancelled and re-instated, exclusions that apply under the policy will apply again, from the date your policy is re-instated.

Making a claim

How to make a claim

If an insured event occurs, you or your legal representative should contact us as quickly as possible to give us the details.

To claim:

- Call **13 3982** between 8am and 5pm (Sydney time), Monday to Friday. We will send you a claim form and a covering letter outlining the supporting evidence we need to be able to assess the claim.
- Complete the claim form and return it to us with supporting evidence of your claim. You must provide all certificates and evidence we require at your own expense, except where we ask for a medical examination or other tests. We may require all certificates to be supported by our medical consultants.

If we consider it necessary, we may require access to all medical records and test results, so we can assess your claim. We can make any reasonable enquiries about the claim and we may require you to have a medical examination by a *doctor* we nominate.

When we pay a claim

Once we've received all the necessary documents and assess whether your claim meets the terms of your policy, we'll pay your claim as soon as possible.

Important information

You're not obliged to take out Home Loan Protection when arranging a Commonwealth Bank *home loan*. You can apply for this type of cover with another insurer.

Commission

We will pay a commission to the Commonwealth Bank or other third party of up to 20% of the premiums (excluding government charges) we receive.

Taxation

As Comminsure is not a registered tax (financial) adviser under the Tax Agent Services Act 2009, you should seek independent, professional tax advice from a registered tax agent or a registered tax (financial) adviser before making any decision based on this information or relying on this information to satisfy the liabilities or obligations or claim entitlements that arise, or could arise, under a taxation law.

If you have a complaint

We accept that sometimes we can get things wrong, and when this happens we're determined to make them right again. Most problems can be resolved quickly and simply by talking with us.

To get help resolving your problem, call us on **13 3982** between 8am and 8pm (Sydney time), Monday to Friday or send an email to comminsure.services@cba.com.au and we'll review your situation and try to resolve it straight away.

We acknowledge every complaint we receive and provide our name, a reference number and contact details of the investigating officer. We keep you updated on the progress we're making towards fixing the problem. If we're unable to provide a final response within 45 days, we'll contact you to explain why and discuss a timeframe to resolve the complaint.

If you aren't satisfied with our resolution and need further assistance, contact Group Customer Relations on **1800 805 605** or by email to customerrelations@cba.com.au, or by writing to CBA Group Customer Relations, GPO Box 41, Sydney NSW 2001.

External dispute resolution

If you are not happy with the response we provide, you may refer your complaint to the Financial Ombudsman Service (FOS). FOS offers a free, independent dispute resolution service for the Australian banking, insurance and investment industries.

You can contact FOS on **1800 367 287**, or by writing to:

The Financial Ombudsman Service, GPO Box 3, Melbourne VIC 3001 or online at www.fos.org.au.

Privacy

Collecting information

'Customer information' is information about a customer. It includes personal information such as name, age, gender, contact details as well as your health and financial information.

We can collect and verify customer information in different ways and we will advise you of the most acceptable ways to do this.

The law may require us to identify our customers. We do this by collecting and verifying information about you. We may also collect and verify information about persons who act on your behalf. Collecting and verifying information helps to protect against identity theft, money-laundering and other illegal activities.

We may disclose your customer information in carrying out verification e.g. we may refer to public records to verify information and documentation, or we may verify with an employer that the information you have given us is accurate.

What we collect

Depending on whether you are an individual or an organisation, the information we collect will vary. For instance, if you are an individual, the type of information we may collect and verify includes your full name, date of birth and residential address. If you are commonly known by two or more different names, you must give us full details of your other name or names.

Accuracy

You must provide us with accurate and complete information. If you do not, you may be in breach of the law and also we may not be able to provide you with products and services that best suit your needs.

How do we use your personal information?

We collect, use and exchange your personal information so that we can:

- establish your identity and assess applications for our products and services;
- price and design our products and services;
- administer our products and services;
- manage our relationship with you;
- manage our risks and help identify and investigate illegal activity, such as fraud;
- contact you, for example if we need to tell you something important;
- conduct and improve our businesses and improve the customer experience;
- comply with our legal obligations and assist government and law enforcement agencies or regulators; or
- identify and tell you about other products or services that we think may be of interest to you.

We may also collect, use and exchange your information in other ways where permitted by law.

Electronic communication

If we have your email or mobile phone details we may contact you electronically including by SMS.

You may also receive information on the group's products and services electronically.

Direct marketing

If you don't want to receive direct marketing from us, you can tell us by calling **13 2221**.

Gathering and combining data to get insights

Improvements in technology enable organisations, like us, to collect and use information to get a more integrated view of customers and provide better products and services.

The Commonwealth Bank group may combine customer information it has with information available from a wide variety of external sources (for example census or Australian Bureau of Statistics data). Group members are able to analyse the data in order to gain useful insights which can be used for any of the purposes mentioned above.

In addition, Commonwealth Bank group members may provide data insights or related reports to others, for example to help them understand their

customers better. These are based on aggregated information and do not contain any information that identifies you.

Protecting your personal information

We comply with the Australian Privacy Principles as incorporated into the Privacy Act 1988 (Cth). The Privacy Act protects your sensitive information, such as health information. When we need to obtain this type of information, we will ask for your consent, except where otherwise permitted by law.

Who do we exchange your personal information with?

We exchange your personal information with other members of the Commonwealth Bank group, so that the group may adopt an integrated approach to its customers.

Commonwealth Bank group members may use this information for any of the purposes mentioned under 'How do we use your personal information' above.

Third parties

We may exchange your information with third parties where this is permitted by law or for any of the purposes mentioned under 'How do we use your personal information' above. These third parties include:

- service providers or those to whom we outsource certain functions, for example, direct marketing, statement production, debt recovery and information technology support;
- your employer;
- brokers and agents who refer your business to us;
- any person acting on your behalf, including your financial advisor, solicitor, accountant, executor, administrator, trustee, guardian or attorney;
- medical practitioners (to verify or clarify, if necessary, any health information you may provide);
- claims-related providers, such as assessors and investigators, who help us with claims;
- auditors;
- government and law enforcement agencies or regulators; or
- entities established to help identify illegal activities and prevent fraud.

In all circumstances where our contractors and outsourced service providers become aware of customer information, confidentiality arrangements apply.

We may be required to disclose customer information by law, e.g. under Court Orders or Statutory Notices pursuant to taxation or social security laws or under laws relating to sanctions, anti-money laundering or counter terrorism financing.

Sending information overseas

From time to time we may send your personal information overseas, including to overseas Commonwealth group members and to service providers or other third parties who operate or hold data outside Australia. Where we do this, we make sure that appropriate data handling and security arrangements are in place. Please note that Australian law may not apply to some of these entities.

We may also send information overseas to complete a particular transaction or where this is required by laws and regulations of Australia or another country.

For more information about which countries your information may be sent to, see the Commonwealth Bank group privacy policy available at commbank.com.au.

Viewing your information

You can (subject to permitted exceptions) request access to your personal information by contacting Group Customer Relations (see page 14 for contact details). We may charge you for providing access.

For more information about our privacy and information handling practices, please refer to the Commonwealth Bank group privacy policy, which is available through commbank.com.au or on request from any Commonwealth Bank branch.

Making a privacy complaint

We accept that sometimes we can get things wrong. If you have a concern about your privacy you have a right to make a complaint and we'll do everything we can to put matters right. For further information on how to make a complaint and how we deal with your complaint please refer to Commonwealth Banks group's privacy policy, which is available at commbank.com.au or upon request at any Commonwealth Bank branch.

Contact Us

Whether you need something clarified or would like to update your personal or policy details, we're happy to help. You can always get in contact with us in one of the following ways:

- Email us: comminureservices@cba.com.au
- Call us: on **13 3982** between 8am and 8pm, Monday to Friday (Sydney time)
- Write to us: Commlnure Life Insurance Services, PO Box 328, Silverwater NSW 2128

The National Relay Service may assist anyone who is deaf or has a hearing or speech impairment:

- TTY/Voice: **133 677**
- SSR: **1300 555 727**
- www.relayservice.com.au

GLOSSARY

Medical Definitions Reference Guide

You should refer to the Medical Definitions Reference Guide available at commbank.com.au/LPD, for further information on any one of the four medical conditions: cancer, coronary artery disease requiring bypass surgery, heart attack and stroke.

Defined terms

<p><i>disablement, disabled or disability</i></p>	<p>Means that due to injury or illness you are:</p> <ul style="list-style-type: none"> • unable to perform the occupation for which you are paid your income, and • following the advice of a <i>doctor</i>, and • not working. <p>A <i>doctor</i> must certify this has occurred and until we receive the certification we won't consider you to have met this definition.</p> <p>Once you become <i>disabled</i> as defined above, we will continue to consider you as <i>disabled</i> unless you meet the <i>return to work</i> definition. For us to confirm your <i>disability</i> you must:</p> <ul style="list-style-type: none"> • provide us with a <i>doctor's</i> certificate confirming that, due to your injury or illness, you are unable to <i>return to work</i>, and • meet the other requirements of this definition.
<p><i>doctor</i></p>	<p>A person who:</p> <ul style="list-style-type: none"> • is legally qualified and registered to practise, and is practising, medicine in Australia, • is not you, a member of your family, or your friend, and • is acceptable to us. <p>In the case of <i>terminal illness</i> or <i>trauma</i>, we may require that the <i>doctor</i> be a specialist that we consider to be appropriate.</p>
<p><i>employed, employment</i></p>	<p>You are <i>employed</i> if you are <i>permanently or casually employed, self-employed, a sole trader or working under a fixed term contract</i>, as follows:</p> <ul style="list-style-type: none"> • <i>permanently or casually employed</i>: You've been working as an employee of an employer for payment or reward for an average of 15 or more hours per week in <i>employment</i> that is neither for a fixed or specified term nor seasonal in nature. • <i>self-employed</i>: You've been working for payment or reward for an average of 15 or more hours per week in a business or an enterprise that: <ul style="list-style-type: none"> - does not employ you, - you have power or control over the business or enterprise because you own it, or are a shareholder in the company that owns it, or are a partner in the partnership that owns it, and - is not seasonal in nature. • <i>sole trader</i>: You've been working for payment or reward as an independent contractor solely for one person or entity for at least 15 hours per week in work that is neither seasonal in nature nor for a fixed or specified term. • <i>working under a fixed term contract</i>: You've been working as an employee of an employer for payment or reward for an average of 15 or more hours per week in <i>employment</i> that is for a fixed or specified term but is not seasonal in nature.
<p><i>home loan</i></p>	<p>Is the <i>home loan</i> issued to you (either on your own or jointly with another person) by the Commonwealth Bank prior to or on the day your cover under this policy commences. This is your original <i>home loan</i> and the <i>home loan</i> number(s) are included in your policy schedule.</p> <p>Any alterations or home loans derived from the original <i>home loan</i> together with your policy schedule make up your insurance contract (the policy) with us.</p>
<p><i>minimum monthly repayment</i></p>	<p>Your <i>minimum monthly repayment</i> is no more than the minimum amount you must pay the Commonwealth Bank for the <i>home loan</i> each month. For the <i>unemployment</i> and <i>disability</i> benefit, this is determined at the date you became aware that you would soon be <i>unemployed</i> or at the date you first suffered the injury or illness that made you <i>disabled</i>. We won't include any overdue payments (or interest on them), fees, charges, expenses, taxes or duties owed, or any other amounts you might owe because of overdue payments.</p>
<p><i>return to work</i></p>	<p>A function performed for reward, compensation or profit for at least 20 hour per week.</p>
<p><i>terminal illness, terminally ill</i></p>	<p>An illness or injury which, in the opinion of a <i>doctor</i>, will likely result in death within 24 months. The <i>doctor</i> must certify that the <i>terminal illness</i> has occurred. Until we receive the required certifications, a terminal illness won't meet the requirements of this definition.</p>

<i>trauma</i>	One of the four medical conditions: cancer, coronary artery disease requiring bypass surgery, heart attack and stroke as defined in the Medical Definitions Reference Guide available at commbank.com.au/LPD .
<i>unemployed, unemployment</i>	<p>You are <i>unemployed</i> if you are not working, actively seeking work and meet one of the following:</p> <ul style="list-style-type: none"> • You were <i>permanently or casually employed</i> when you stopped work and you stopped work because your employer terminated your <i>employment</i>, • You were <i>self-employed</i> when you stopped work and you stopped work because your business permanently ceased trading, was wound up, dissolved or placed in the hands of an insolvency practitioner, • You were a <i>sole trader</i> when your work ended because the person or entity you'd been doing the work for terminated your contract with them. If your work ends because you voluntarily end it or the required work is completed, you don't qualify as being <i>unemployed</i>. • You were <i>working under a fixed term contract</i> when you stopped work and you stopped work because your employer terminated your <i>employment</i> before its fixed or specified term ended. If your work ends because you voluntarily end it or the fixed or specified term ends, you don't qualify as being <i>unemployed</i>.

This page was intentionally left blank.

This page was intentionally left blank.

You can always get in contact with us in one of the following ways:

Email us:

comminsureservices@cba.com.au

Call us:

on **13 3982** between 8am and 8pm,
Monday to Friday (Sydney time).

Write to us:

**Comminsure Life Insurance Services,
PO Box 328, Silverwater NSW 2128**