Lumley Life

Line of Cover

Supplementary Key Features Statement And Application Form to the Life Insurance Customer Information Brochure

You should read this brochure carefully, in conjunction with the Key Features Statement contained in the accompanying Customer Information Brochure. It explains the important information you should know about the policy.

Issue Date: 1st March 2003 Expiry Date: 31st December 2003

Traditional Values ~ Innovative Ideas

SUPPLEMENTARY KEY FEATURES STATEMENT
LINE OF COVER INSURANCE

This supplementary key features statement should be read in conjunction with the Life Insurance Key Features statement on page 3 of the Life Insurance Customer Information Brochure which Lumley Life or its adviser is obliged to provide. The information contained in these documents will help you understand the product and to decide whether it is appropriate to your needs.

▶ LINE OF COVER INSURANCE

Line of Cover Insurance is specifically available for business insurance purposes such as keyman insurance, partnership insurance and loan protection.

It is an option which allows increases to the death cover (and Total and Permanent Disability cover if applicable).

No evidence of health will be required in respect of these increases. However, the ability of the business to substantiate the additional cover will be necessary.

▶ MINIMUM INITIAL SUM INSURED

The sum insured proposed under the policy must be at least $500,000.

▶ MAXIMUM INCREASE AVAILABLE

The sum insured under the policy in respect of death cover may be increased to the lesser of 3 times the original sum insured or $10 million.

The sum insured in respect of Total and Permanent Disability cover may be increased up to $2.5 million.

The Automatic Inflation Proofing provisions of the Policy do not apply when Line of Cover is attached.

▶ THE OPTION PERIOD

The option to increase the sum insured must be made within 3 years of the commencement date shown in the policy schedule. This may be extended to 6 years provided that at least one increase is effected in the first 3 years. Where an increase does not take place in the first 3 years then the agreement of Lumley Life will be necessary to extend the option period from 3 to 6 years.

▶ MAXIMUM ENTRY AGE

Line of Cover is only available to lives aged less than 59 next birthday.

▶ EXERCISING THE OPTION

There is no limit on the number of options provided that the maximum sum insured limits are not exceeded.

▶ COST OF COVER

An additional premium is payable for Line of Cover insurance. This additional premium will cease on the Expiry of the Option (see Policy wording on opposite page).

▶ COOLING OFF PERIOD

If for any reason you are dissatisfied with the Policy once it is issued, or if you feel it does not meet your needs, you may return it to Lumley Life within twenty eight days from the day you receive your Policy Information Statement and Schedule and receive a full refund of premium(s) promptly. Your request should be in writing.

The following provisions will be included in your Policy Document

LINE OF COVER

For the payment of an additional premium and with the agreement of Lumley Life, a Line of Cover will be established.

Under this Line of Cover, the sums insured, in respect of death and Total and Permanent Disability cover, can be increased without further evidence of health subject to the following conditions namely:

1. The circumstances requiring the increase must be for specific business purposes approved by Lumley Life and no evidence of health will be required.
2. The ability of the business to substantiate the additional cover will be necessary.
3. The option to increase the sum insured must be exercised within 3 years of the commencement date shown in the Policy Schedule (the Option Period).
4. The maximum increase in the sum insured for death cover will be the lesser of, three times the sum insured at the commencement date shown in the Policy Schedule or $10,000,000.
5. Where Total and Permanent Disability (TPD) cover applied at the commencement date shown in the Policy Schedule, any increase cannot cause the TPD Cover to exceed $2,500,000.
6. Any increase in sum insured will be accompanied by an additional premium the amount of which will be dependent on the premium rates prevailing for the type of cover at the date the increase in sum insured is effected.

Options to increase the sum insured may be taken at any time during the Option Period. There is no limit to the number of options exercised nor any minimum or maximum amount per increase provided that the overall maximum covers are not exceeded.

- **Extension of Option Period**

  The Option Period may be extended from 3 to 6 years from the commencement date shown in the Policy Schedule provided that at least one increase is effected during the original Option Period or otherwise with the agreement of Lumley Life.

- **Expiry of the Option**

  The option to effect increases in sum insured will expire on the earliest of the following dates, namely;

  (i) the expiry of the Option Period where no increase has taken place (ie 3 years from the date of the commencement date shown in the Policy Schedule).

  (ii) The Expiry of the extended Option Period where at least one increase has taken place within the Option Period (ie 6 years from the date of the commencement date shown in the Policy Schedule).

  (iii) The date on which any claim is admitted by Lumley Life in respect of the Life Insured under this Policy.

<u>The Expiry of the Option does not effect the continuation of your Policy.</u>

- **Automatic Inflation Proofing**

  The Automatic Inflation Proofing provisions of the Policy do not apply when Line of Cover is attached.

Lumley Life

PRIVACY STATEMENT

At Lumley Life Limited* your right to privacy has always been important to us. This document explains why we collect your personal information and how we may use or disclose that information.

We collect information about you to provide our insurance products and services to you. We usually collect personal information such as name, age, contact details, payment details, occupation, family and medical history, and employment information. The full details of the types of personal information we collect can be found in the questions we ask and/or in the forms we ask you to complete.

In some situations we may collect your personal information from a third party such as your insurance representative, medical practitioner or health professional, accountant or employer. We will only do so with your consent.

If you do not provide information sought by Lumley from time to time, it may affect Lumley's ability to provide you with and administer our products or services. You are required by insurance law to disclose all relevant information to us when you apply for insurance. Please refer to your application form for further details of this duty, and the consequences of not complying with this duty.

We use your personal information to manage and administer all products and services we provide to you, including to assess and process your application for insurance, process and investigate claims made against your insurance, provide you with information about other products or services that may be of benefit to you; and to ensure our internal business operations are running smoothly (which may include fulfilling regulatory and legal requirements and confidential system testing).

Depending on the type of product or service we provide to you, we may need to disclose your information to certain third parties. If we do this we require these parties to protect your information in the same way we do. The types of organisations we may need to disclose your personal information to (as necessary only) include:

- external service providers that provide financial, legal, administrative or other services in connection with the operation of our business (for example our reinsurers, auditors, claims investigators, compliance consultants or mailing/archiving services for document mailing services and secure storage);
- medical practitioners or health professionals for the purpose of assessing your application or claim;
- government agencies (as part of our regulatory or statutory obligations);
- where we collect your information from someone else or another entity (such as a superannuation fund or employer), then we may disclose your personal information to that person or entity; and
- your insurance representative with your consent.

Your health or medical information will only be disclosed (as necessary only) to service providers or authorised personnel who are directly involved in the assessment or administration of your application or claim.

Your personal information will not be used or disclosed for any purpose without your consent, except where required by law.

By completing an application form or any other form, you consent to Lumley collecting, using, disclosing and handling your personal information as set out in this document.

You can request access to the personal information we hold about you. You may ask us at any time to correct this information where you believe it is incorrect or out of date.

There will be no fee for requesting access to your information, however we may charge you the reasonable cost of processing your request. To access personal information we hold about you, or to obtain more information about your rights or our Privacy Policy, please contact Lumley's Privacy Officer at:

Lumley Life Limited
Level 3
309 Kent Street
Sydney NSW 2000
Phone (02) 9248 1255 or
Fax (02) 9248 1101

* *Includes Security and General Nominees Pty Limited as trustee for Lumley Life Limited Personal Superannuation Fund.*

LIFE INSURED DETAILS

Full Name (Dr/Mr/Mrs/Miss/Ms) | 1

Surname | *First Name(s) in full*

Date of Birth | Age Next Birthday | Place of Birth

Are you a permanent resident of Australia? Yes / No | Sex Male / Female | Smoker Yes / No

Home Address

Postcode

Occupation (full details)

Phone Number (Business) ( ) | Mobile Phone ( )

Phone Number (Home) ( ) | Fax ( )

Email Address

POLICY OWNER DETAILS

Full Name (Dr/Mr/Mrs/Miss/Ms)

Address for Notices

Relationship to Life to be Insured | Phone Number ( )

DETAILS OF PROPOSED COVER

	INITIAL SUM INSURED
Death Cover	$
Total and Permanent Disability Cover	$

☐ *Tick if own occupation definition is required for TPD.*

☐ Monthly PDC (Please complete PDC Form)

☐ Half Yearly Cash ☐ Yearly Cash

TOTAL PREMIUM $

INSTALMENT $

ADVISER'S DETAILS

The information shown on this application accurately and completely records information given by the Policyowner and Life insured.

Adviser Name

Adviser Code | Percentage

Adviser's Signature

NB _____%

Ren _____%

Adviser Name

Adviser Code | Percentage

Adviser's Signature

BENEFICIARY NOMINATION

I hereby nominate the following individual(s) or entities to receive the specified proportion(s) of the death benefit. I understand that I can revoke or change any nomination at any time by notice in writing to Lumley Life.

Name of Nominated Beneficiary	Address	Relationship to Member	Proportion of Benefit

Other:

YOUR DUTY OF DISCLOSURE

Before you enter into a contract of life insurance with an insurer, you have a duty under the Insurance Contracts Act 1984, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of insurance and, if so, on what terms.
You have the same duty to disclose those matters to the insurer before you extend, vary or reinstate a contract of life insurance. Your duty however, does not require disclosure of a matter:
• that diminishes the risk to be undertaken by the insurer
• that is of common knowledge
• that your insurer knows or, in the ordinary course of his business, ought to know
• disclosure of which is waived by the insurer.

NON-DISCLOSURE
If you fail to comply with your duty of disclosure and the insurer would not have entered into the contract on any terms if the failure had not occurred, the insurer may avoid the contract within three years of entering into it. If your non-disclosure if fraudulent, the insurer may void the contract at any time.
An insurer who is entitled to avoid a contract of life insurance may within three years of entering into it, elect not to avoid it but to reduce the sum that you have been insured for in accordance with a formula that takes into account the premium that would have been payable if you had disclosed all relevant matters to the insurer.

New privacy laws protect the privacy of individuals. The way in which we collect, use, disclose and handle your information is described in the Lumley Privacy Statement. Please be aware that if you wish to provide information to us, the duty of disclosure explained in your application for insurance applies to the information you give in this form. If you fail to comply with this duty you may be in breach of it. The consequences of this are explained in your application. Please phone the Privacy Officer on 1800 221 142 or (02) 9248 1255 if you have any questions or would like to request a copy of our Privacy Policy.

DECLARATION BY POLICYOWNER AND LIFE TO BE INSURED

1. I/We acknowledge that I/we have read the notice explaining my/our duty of disclosure **and understand that this duty also applies until formal notification of acceptance.**
2. I/We have read and checked any answers not completed in my/our handwriting and to the best of my/our knowledge and belief all the answers to the questions in this application and any supplementary application or personal statement which relate to me/us are true and correct and no information material to the assessment of this insurance has been withheld.
3. I/We, the proposed Life insured, authorise and direct any medical or other practitioner to divulge at any time to Lumley Life Limited or to any lawfully constituted tribunal any and all information concerning my state of health and medical history, acquired in the course of any professional attendance or consultation. To this extent, all professional confidence and privilege is waived.
4. I/We acknowledge that I/we have read and understood the Customer Information Brochure relating to the Benefits proposed. I/We acknowledge that other than any interim cover applying as outlined in the Customer Information Brochure, no cover commences until this application has been accepted by Lumley Life and the first premium or instalment of premium has been paid.
5. I/We acknowledge that, in completing this application, I/we have (please tick one box):

   ☐ provided information requested by my/our Adviser through a *Fact Finder*, and decided to purchase the policy, (and benefits) recommended;

   ☐ chosen not to provide the information requested by the Adviser;

   ☐ decided to purchase a policy (and benefits) that differ from the Adviser's recommendation;

   ☐ sought no advice, or advice only about a limited range of products,

   ☐ consent to personal information (including any sensitive information) being collected, used and disclosed by Lumley Life Limited and its agents

   and understand that a policy (or benefits) purchased without, or on the basis of an incomplete, *Fact Finder*, or which differs from the recommendation received, may result in a financial commitment to life insurance that may not be appropriate to my/our needs and objectives.

6. Signature of Life to be Insured

   X _____ Date / /

7. Signature of Policyowner(s)

   1 X _____ Date / /

   2 X _____ Date / /

   3 X _____ Date / /

   4 X _____ Date / /

Lumley Life

Direct Debit Request

DIRECT DEBIT SERVICE AGREEMENT

1. Agreement

1.1. If you sign the attached Direct Debit Request ("DDR") you agree that you have read this agreement and the DDR (together referred to as the "Agreement") and that the Agreement sets out all of the terms by which you authorise Lumley Life Limited ("Lumley") to make debits to your account as described in the DDR ("your account").

2. Authority to Debit Your Account

2.1. If a premium falls due for payment to Lumley in accordance with the insurance policy you have agreed to purchase from Lumley ("premium(s)") Lumley may debit your account as specified in the DDR in the amount of that premium.

2.2 If a premium is payable on a day that the financial institution nominated in the DDR ("financial institution") is not open for business in New South Wales, the debit relating to the premium will be debited from your account on the next day that the financial institution is so open for business.

2.3. Lumley may make a debit to your account which apart from this clause would not be authorised, provided it is equal to the value of any returned unpaid debit(s) which at the time of the debit remain(s) unpaid.

3. Your Obligations

3.1. You will ensure that there are sufficient funds available in your account to allow each debit under this Agreement to be made.

3.2. You represent to Lumley that you are authorised to operate your account without any other person's signature or authority.

3.3. You represent to Lumley that the financial institution at which your account is held makes a direct debit facility available in respect of your account and you represent that the details of your account in the DDR are correct.

3.4. You will promptly advise Lumley in writing if any of the details of your account change.

4. Lumley's Rights

4.1. If a debit is not made in accordance with this Agreement, Lumley shall not be liable for any direct, indirect or consequential loss or damage you or any other person may suffer.

4.2. If a debit cannot be made to your account in accordance with this Agreement or is returned unpaid, you agree to pay Lumley any fee or charge that we incur or impose in connection with processing the debit or our attempt(s) to do so.

5. Termination and Variation

5.1. You may terminate this Agreement upon giving written notice which must be received by Lumley at least 5 days before the debit is due but you may not otherwise stop payment or suspend the operation of this Agreement without Lumley's prior written agreement.

5.2. Lumley may:

- terminate this Agreement without notice; or
- vary any term of this Agreement or the value or frequency of the debit authorised by you under this Agreement upon giving you 14 days written notice.

5.3. Without limitation to the preceding clause, Lumley may terminate this Agreement if three or more debits are returned unpaid.

6. Confidentiality

6.1. Subject to Clause 6.2, Lumley will make all reasonable efforts to keep the information in the DDR secure.

6.2. Lumley will disclose information in the DDR when required to do so by law or in order to carry out the terms of this Agreement.

7. Dispute Resolution

If you believe that a debit to your account has been incorrectly made under this Agreement; or you wish to inquire of Lumley the reason for a proposed variation to a term of this Agreement or the value or frequency of the debit authorised by it, you may notify Lumley in writing, by letter addressed to:

The Company Secretary, Lumley Life Limited
P.O. Box Q340, Queen Victoria Building
Sydney NSW 1230

DIRECT DEBIT REQUEST

Policy number

To: **Lumley Life Limited ABN 20 000 017 194 ("Lumley")**
(User ID 15339)

I/We request that monies due in accordance with my/our payment arrangements be drawn under the Direct Debit System from my/our account with:
(insert name of financial institution)

BSB number : : : :

Account number *(max. 9 digits)* : : : : : : : :

Name of account to be debited

(Please complete DDR Form)

☐ Monthly
☐ Half Yearly ☐ Yearly

I/We acknowledge that this Direct Debit Request is governed by the terms of the Direct Debit Service Agreement above.

Customer Signature(s) Date

✘ / /

✘ / /

Please return this form to:
Lumley Life Limited
P.O. Box Q340, Queen Victoria Building
Sydney NSW 1230

TOTAL PREMIUM $

INSTALMENT $

CREDIT CARD PAYMENT AUTHORITY – Yearly or Half Yearly Premium Only

I authorise Lumley Life Limited to debit my:

Credit Card Type ☐ *Bankcard* ☐ *Mastercard* ☐ *Visacard* ☐ *American Express* ☐ *Diners*

The amount of $

Card Number ☐☐☐☐ ☐☐☐☐ ☐☐☐☐ ☐☐☐☐

Expiry Date / /

Cardholder's Name

Cardholder's Signature

Date / /