

EasyLife Insurance

Product Disclosure Statement



Issue No.1
11 March 2004

MBF Life

Issued by:
MBF Life Limited ABN 12 000 021 581 AFS Licence No. 227682

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About this Product Disclosure Statement

This Product Disclosure Statement (PDS) provides information about Easylife Insurance to help you make a decision whether to apply for cover. The information provided in this PDS is of a general nature only and does not take into account your individual needs or objectives. You should read this PDS before making a decision to take out an Easylife Insurance policy.

Your application for insurance is subject to acceptance by MBF Life Limited, which may accept or decline your application, or accept it on special terms.

While every effort has been made to ensure the information in this PDS is accurate and up to date, the summary of benefits and features provided in this PDS do not over ride or replace the terms and conditions contained in the Easylife Insurance policy document. It is the policy document that forms the basis of your contract of insurance and which should be read carefully. If your application is accepted you will be sent a certificate of insurance and a policy document.

We will issue a supplementary or replacement PDS if there is a materially adverse change to the information contained in this PDS, or there is a materially adverse omission in this PDS.

In this PDS “you” refers to the owner and life insured of the policy and “we” to MBF Life Limited.

Introducing Easylife Insurance

Easylife is simple, convenient and affordable life insurance designed to provide financial relief to your family in the unfortunate event of your death. With the benefit of a lump sum payment, major debts such as the mortgage could be paid off and day-to-day living costs and other expenses could be met for your family to maintain their lifestyle.

It also provides an early payment if you are diagnosed with a terminal illness and double payment should you die as a result of a motor vehicle accident.

Choice of cover

When you apply for an Easylife Insurance policy you choose the amount of cover you want to be insured for. This is known as the insured benefit. You can choose your insured benefit from the four choices of cover available; \$100,000, \$150,000, \$200,000 and \$250,000.

Applying for Easylife

Applying for Easylife is easy.

Both you and your partner can apply using the application form contained in this PDS, provided you are an Australian resident aged between 16 and 50 inclusive. In most cases you won't even need a medical. If accepted, you are covered worldwide 24 hours per day.

To apply for cover just follow these simple steps:

- read this PDS carefully, it contains important information you need to know about Easylife Insurance;
- choose the amount of cover that meets your needs;
- find the premium for your amount of cover on page 8;
- decide how you want to pay for your cover, and whether you want to pay monthly or annually;
- complete the application form and post it, with your cheque or payment authority, to:

Easylife Insurance
MBF Life Limited
Reply Paid 4232
Sydney NSW 2001

Benefits

Death and terminal illness benefit

The insured benefit is payable if you die while the policy is in force.

Payment of the insured benefit is advanced on terminal illness, if this is diagnosed at least one year before the policy expires. Terminal illness means that a medical practitioner we select conclusively diagnoses you as having a life expectancy of six months or less.

Motor vehicle accident benefit

If death occurs as a result of a motor vehicle accident, an additional benefit equal to your insured benefit amount will also be paid. This benefit will only be paid if:

- you die by violent, external and visible means solely and directly caused by a motor vehicle accident in which you were the driver or the passenger of a motor vehicle;
- the motor vehicle accident occurs while the policy is in force; and
- you die within 90 days of the accident and before the policy expiry.

Motor vehicle means a registered vehicle (including motor bike) which is:

- able to be driven on public roads and motorways;
- used purely for business and/or personal use; and
- in use for the purpose for which it was registered.

When benefits will not be paid

The insured benefit will not be paid if you die or become terminally ill, directly or indirectly as a result of:

- your own act, whether while sane or insane, within 13 months after the start of the policy; or, if the policy is reinstated, within 13 months after the date the policy was last reinstated; or
- Acquired Immune Deficiency Syndrome (AIDS) or any AIDS related condition or infection with the Human Immunodeficiency Virus (HIV).

The additional motor vehicle accident benefit will not be paid if the motor vehicle in which you were travelling was:

- being driven by a person who was under the influence of;
 - alcohol;
 - a drug (other than a prescribed drug taken as directed);
- in our expert's opinion, in an unsafe condition; or
- being used in a race, trial or contest, or for unlawful purposes.

If the insured benefit amount has increased, the amount of the increase will not be paid if you die, or become terminally ill, directly or indirectly as a result of your own act, whether while sane or insane, within 13 months after the date the increase takes effect.

If the insured benefit is not paid we will not refund the premiums you have paid.

When does cover start?

If we approve your application we will write to welcome you, and inform you that your cover has started, by issuing a policy document and a policy certificate. The policy certificate sets out the details of your insurance cover, most importantly the insured benefit you have chosen, the date the policy starts and the expiry date.

When does cover cease?

Easylife Insurance is a guaranteed renewable policy, which means that provided you continue to pay for your cover and provided you have complied with your duty of disclosure, we guarantee to renew your policy until either:

- you reach 70 years of age; or
- you die or become terminally ill whichever occurs first.

How to make a claim

The procedures for making a claim are outlined in the policy document. In particular we will need to be notified of a claim as soon as possible. We will need all the evidence we reasonably regard as necessary to establish entitlement to the benefit.

Cost of Cover

Your premium is based on your age, sex, whether or not you smoke and your choice of insured benefit. The cost is calculated in five-year age bands, as shown in the table of standard premium rates on page 8.

You can choose to pay your premium either monthly or annually. If you choose to pay your premium annually, it is 11 times the monthly amount shown.

We will also take into consideration your health, pastimes and pursuits in assessing your application, and after doing so we may offer cover to you at premium rates higher than our standard rates.

When you are classified as a non-smoker you must advise us immediately if you smoke tobacco or any other substance. We will then adjust the premium rates to smokers' rates.

Your premium will increase:

- when you move from one age band to the next;
- if you apply to increase your insured benefit;
- if your classification changes from non-smoker to smoker; or
- if we amend the premium rates.

You cannot be singled out for a premium rate increase. Our standard rates are not guaranteed, but can only change if we change them for all policies in the same series of Easylife Insurance policies.

Any applicable new or increased government taxes or charges (including stamp duty) will be passed on to your policy.

We will give you at least 30 days prior notice to any premium changes taking place, telling you what we have done and why.

Monthly Premiums

The tables below show the monthly premium for the four choices of cover available to you.

If you wish to pay annually, simply multiply the monthly premium by 11 (i.e. a discount applies if you pay annually in advance).

Male, Non Smoker		Monthly Premiums		
Age	\$100,000	\$150,000	\$200,000	\$250,000
up to 35	\$14.40	\$19.50	\$24.60	\$29.70
36-40	\$15.80	\$21.60	\$27.40	\$33.20
41-45	\$19.60	\$27.30	\$35.00	\$42.70
46-50	\$28.80	\$41.10	\$53.40	\$65.70

Female, Non Smoker		Monthly Premiums		
Age	\$100,000	\$150,000	\$200,000	\$250,000
up to 35	\$12.50	\$16.65	\$20.80	\$24.95
36-40	\$13.50	\$18.15	\$22.80	\$27.45
41-45	\$16.70	\$22.95	\$29.20	\$35.45
46-50	\$24.00	\$33.90	\$43.80	\$53.70

Male, Smoker		Monthly Premiums		
Age	\$100,000	\$150,000	\$200,000	\$250,000
up to 35	\$22.10	\$31.05	\$40.00	\$48.95
36-40	\$27.60	\$39.30	\$51.00	\$62.70
41-45	\$40.60	\$58.80	\$77.00	\$95.20
46-50	\$65.10	\$95.55	\$126.00	\$156.45

Female, Smoker		Monthly Premiums		
Age	\$100,000	\$150,000	\$200,000	\$250,000
up to 35	\$16.70	\$22.95	\$29.20	\$35.45
36-40	\$19.90	\$27.75	\$35.60	\$43.45
41-45	\$27.20	\$38.70	\$50.20	\$61.70
46-50	\$40.60	\$58.80	\$77.00	\$95.20

This table lists our current standard premium rates for policy applications. The actual rates that apply to you will depend on the information you give us in your application. Premiums are subject to change. A copy of premium rates for policy renewals for ages 50-70 is available on request.

Additional Information

Can the insured benefit amount be changed?

You can ask us to change the insured amount to another of the available four insured amount levels, while you are aged under 50 years. If you apply to increase the insured amount, you will be asked to provide further information on your health, pastimes and pursuits. If your health, pastimes or pursuits have changed, we may decline your request.

What will happen if you stop paying your premium?

To ensure your policy remains in force you must pay your regular premium.

If you don't pay the premium within 30 days after the due date, we will write to you explaining how we can cancel your policy. If we cancel your policy all cover will cease and you will not be able to make a claim after the due date.

You may be able to reinstate your policy after it is cancelled, subject to our approval and payment of outstanding premiums. This may involve a reassessment of your personal circumstances in a new application to be made at the time.

What are the tax implications?

Usually premiums are not tax deductible and benefits are paid free of personal tax. Your benefit may be taxable if the policy has been taken out for certain reasons, such as business purposes. This is a general statement based on laws current at the time of publication, their continuation and our interpretation. You should seek advice from a suitably qualified professional in relation to your particular circumstances.

What are the charges?

The insurance premium is the only amount payable. There are no additional charges. The premium includes allowances for government taxes and charges.

Cooling off period

If you decide that your Easylife Insurance policy does not meet your needs for any reason, you can cancel it by notifying us in writing.

You have 14 days starting on the earlier of:

- the date you receive your policy; or
- five days after the date your policy becomes effective.

This is known as the cooling off period. Provided you cancel your policy within the cooling off period, we will refund any premiums you have paid.

You will not be able to cancel your policy under the cooling off period provision if you have exercised any rights under it, for example, if you have made a claim under your policy.

Complaints

If you have any complaints or problems concerning your policy, please let us know by calling us on 132 977. If your complaint is not resolved to your satisfaction, or you are not satisfied with the progress after 7 days, please contact:

Head of Compliance
MBF Life Limited
Reply Paid 4232
Sydney NSW 2001.

We will deal with your complaint within 45 days of you first raising it with us.

If this is not possible, we will contact you and request your consent to extend this period for up to a further 45 days.

If you are not satisfied with how we respond to an enquiry or complaint or we have not dealt with your complaint within 45 days (or within the extended period you approve) you can contact the Financial Industry Complaints Service on (03) 8623 2000 or 1300 780 808, or by writing to:

The Manager,
Financial Industry Complaints Service
PO Box 579,
Collins Street West
Melbourne Victoria 8007.

Fax (03) 9621 2291

Please note that the Financial Industry Complaints Service cannot consider your complaint if the insured amount for the benefit concerned exceeds their maximum amount. This amount may vary and the Service can advise you of the current amount.

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 to accept the risk of the insurance and if so on what terms. You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of life insurance. Your duty does not require disclosure of a matter:

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

Your duty of disclosure continues until the contract of life insurance has been accepted by the insurer and confirmation in writing has been issued.

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 3 years of entering into it. If your non disclosure is fraudulent, the insurer may avoid the contract at any time.

Any insurer who is entitled to avoid a contract of life insurance may, within 3 years of entering into it, elect not to avoid it but to reduce the sum 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.

Privacy and your Personal Information

We are committed to handling your personal information in accordance with the Privacy Act.

Collection, use and disclosure of your personal information

We need to collect, use and disclose your personal information in order to consider your application for EasyLife Insurance, and to provide the cover you have chosen, administer the policy and assess any claim. You can choose not to provide us with some or all of your personal information, but this may affect our ability to provide the cover.

We are committed to providing you with access to a range of leading products and services. In order to do this we will use your personal information to promote and offer you other products and services, unless you advise us otherwise.

Please call 132 976 if you have any questions, comments or concerns regarding privacy matters.

Marketing purposes

By providing your personal information to us you acknowledge that, and consent to:

1. us collecting and using your personal information to contact you for market research and to provide you information and offers about products and services offered by us, our related entities within the MBF group and other organisations whose products and services we promote;
2. us disclosing your personal information on a confidential basis for these marketing purposes to our related entities within the MBF group and to any agent of them.
3. you will inform us if you do not want your personal information to be used, or disclosed for these marketing purposes.

Service Agreement Summary for Direct Debit Arrangement

This is a summary of the Service Agreement that applies to premium deductions from an account with a financial institution. We will send a copy of the full service agreement together with your policy documentation.

Note that direct debits are not available on all accounts. Please check with your financial institution if you are unsure whether direct debits can be made from your account.

Your rights

You can cancel our authority to make deductions from your account by writing to us at least 14 business days before the next deduction is due to be made.

This applies if you want to cancel a single deduction, all future deductions or have closed your account.

If you believe a deduction has been made incorrectly, please call us immediately on 132 977. We may ask you to confirm details of the deduction in writing.

Your obligations

It is your responsibility to make sure the account details you have given us are correct and there are sufficient funds available in the nominated account so that premium deductions can be made when due.

Your financial institution and we may charge you a fee if the account details are incorrect or there are insufficient funds available in the account when we attempt to deduct premiums. To allow your policy to provide cover we must receive premiums by the due dates. If direct debiting fails, you must arrange for the premium to be paid by another method.

Our commitment to you

We will only make deductions from your account according to the Service Agreement, your Direct Debit Request and your policy document.

Premium deductions from your account will be made on or around the premium due dates unless these dates are on a weekend or public holiday. In these cases, we will normally make the deductions on the previous or next business day.

We will not change the amount of any deductions unless we have given you 14 days prior notice.

We will promptly respond to any concerns you may have about amounts deducted from your account.

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This application is attached to the Product Disclosure Statement dated 11 March 2004. Applications for an Easylife Insurance policy can only be accepted on this form. Please do not complete this application if you have not received a copy of the Product Disclosure Statement and had an opportunity to read it.

Personal Details *please ensure that all details are correct and complete*

Applicant one *your details*

Mr Mrs Miss Ms Other

Given name(s)

Surname

Postal Address

Postcode

Daytime phone number () After hours phone number ()

Height Male Female

Weight Date of birth / /

Have you smoked in the last 12 months? Yes No

Are you a permanent resident of Australia? Yes No

What is your current occupation and describe duties?

Cover level (please tick)
\$100,000 \$150,000 \$200,000 \$250,000

Premium (from tables) \$ per month/year

Applicant two *your partner's details*

Relationship to applicant one

Mr Mrs Miss Ms Other

Given name(s)

Surname

Postal Address

Postcode

Daytime phone number () After hours phone number ()

Height Male Female

Weight Date of birth / /

Have you smoked in the last 12 months? Yes No

Are you a permanent resident of Australia? Yes No

What is your current occupation and describe duties?

Cover level (please tick)
\$100,000 \$150,000 \$200,000 \$250,000

Premium (from tables) \$ per month/year

Payment method

- Annual by cheque (payable to MBF Life Limited)
 Monthly from your bank account (complete direct debit request)

- Annual by credit card (complete credit card authority)
 Monthly by credit card (complete credit card authority)

Direct debit request authority

Your details

Given name(s) Surname

Work phone number Home phone number
() ()

Address
 Postcode

OR Company name

ACN/ARBN/ABN Please circle

Contact phone number

Address
 Postcode

Request and authority to debit

MBF Life Limited ID 022829 may debit and/or charge any amount through the Bulk Electronic Clearing System, from the account nominated on this form. Each debit or charge must be effected according to the Service Agreement.

Details of financial institution

Name and address of financial institution
 Postcode

Credit card payment authority

- This payment authority is for (tick one only)
 The entire first year and subsequent premiums
 Regular monthly payments from my credit card

I authorise MBF Life Limited to charge my
Bankcard VISA card Mastercard

The amount of \$

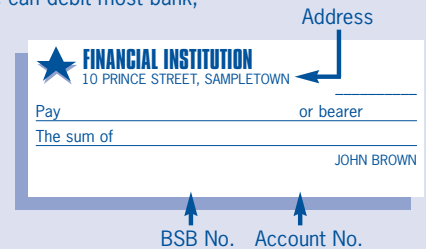
Details of account to be debited

Name of account

BSB number - Account number

Please note: If you would like to vary or cancel the direct debit, or change the account number from which the direct debit is made, you need to give MBF Life Limited at least 14 business days notice.

This direct debit authority will enable deductions to be made from your account (but not passbook accounts). We can debit most bank, building society and credit union accounts (but check with your financial institution if you are unsure). If your account has a cheque book facility, or personalised deposit/withdrawal slips, the information can be located from these, as shown in the diagram.



Signature(s)

Before signing this section, please read the Service Agreement Summary on page 14. Your signature below will indicate you accept the terms of the Service Agreement and confirm that the details on this form have been checked and are correct.

If a joint account, please have all account holders sign. If the account is held by a company please have one director and the company secretary each sign.

If you are signing for and on behalf of another person or entity, please state the capacity in which you sign, in the signature box below.

Signature 1 Date

Signature 2 Date

Credit card number

Cardholder's name (as shown on card) Expiry Date

Signature Date

Please note:

- The applicant must be you or your partner. Both you and your partner may apply for cover in which case (if we accept each application) two separate policies will be issued. If the Application is accepted by us, the applicant will be the policy owner and life insured under the policy.
- 'I' and 'my' is the same as 'we' and 'our' in the statements that follow.

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 the insurance and, if so, on what terms. You have the same duty to disclose those matters to the insurer before you renew, 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 common knowledge;
- that your insurer knows or, in the ordinary course of business, ought to know;
- as to which compliance with your duty 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 3 years of entering into it. If your non-disclosure is fraudulent, the insurer may avoid the contract at any time. An insurer who is entitled to avoid a contract of life insurance may, within 3 years of entering into it, elect not to avoid it but to reduce the sum that you would 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.

Declarations and Authorisations

- My decision to apply for this insurance is based on my understanding of the Product Disclosure Statement which I have received.
- The answers I have given in this application and any separate personal statements made within it are true and correct.
- I understand that my duty of disclosure also extends to matters which are not specifically referred to in the questions asked. I have disclosed all relevant information so that MBF Life Limited can consider this application for life insurance and understand my duty of disclosure continues until MBF Life Limited notifies me that my application is accepted.
- I acknowledge that I have not been given any advice, and that no detailed personal financial analysis has been undertaken in relation to the purchase of this insurance. I understand that by not receiving advice, I risk making a financial commitment to a life policy that may not be appropriate for my needs and objectives.
- I understand that the insurance applied for does not begin until MBF Life Limited accepts my application.

OFFICE USE ONLY

Branch/CSC _____ Staff No. _____
Receipt No. _____ Date received _____

Privacy and Personal Information

By providing my personal information to MBF Life Limited I acknowledge and declare that, and consent to the following:

- you can collect and use my personal information for the following purposes: to assess any application; underwrite, price and issue any policy; calculate or offer benefits and discounts; administer the policy; to investigate, assess and pay any claim;
- for these purposes you can collect my personal information from, and disclose it on a confidential basis to: your related entities; other insurers; insurance reference bureaus; government departments and agencies; investigators; lawyers; advisers; medical and health service providers; and the agent of any of these;
- where I provide personal information to you about another person, I am authorised to provide that information to you, and I will inform that person who you are, how you use and disclose their information, and that they can gain access to that information (unless doing so would pose a serious threat to the life or health of any individual);

Marketing Purposes

- you collecting and using my personal information to contact me for market research and to provide me information and offers about products and services offered by you and your related entities, within the MBF group and other organisations whose products and services you promote;
- you disclosing my personal information on a confidential basis for these marketing purposes to your related entities and to any agent of them; and
- I will inform you if I do not want my personal information to be used, or disclosed for these marketing purposes.

Medical Authorisation - I authorise any doctor, hospital or clinic to provide MBF Life Limited with information regarding my medical history. A photocopy of this authority will be as valid as the original.

Your Signature(s):

Applicant one

Date

Applicant two

Date



Enquiries: 132 976

Existing customers: 132 977

Mobile phones – normal network costs apply

www.mbflife.com.au

MBF Life Limited ABN 12 000 021 581

AFS Licence No. 227682

97 – 99 Bathurst Street Sydney NSW 2000