

Income Cover

Combined Product Disclosure Statement and Policy Document

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Combined Product Disclosure Statement and Policy Document

This is the Combined Product Disclosure Statement and Policy Document (together referred to as 'PDS') for Income Cover.

It is important that you read this PDS carefully as it sets out the terms and conditions of the Income Cover policy. This PDS explains the benefits, premiums, significant risks, the complaints handling process, cooling off period and other rights, terms and conditions relating to this product, which will help you make an informed decision about whether it is right for you. It has been prepared without taking into account your financial situation, needs and objectives therefore you should consider whether these insurance policies are suitable for you. You may also wish to consult a financial planner.

Throughout this document certain words have particular meanings. Important words are in bold. Please refer to the Glossary - section 7 for general terms and the Glossary in section 8 for terms particular to the Specific Illness Benefit.

The information contained in this PDS is current at the time of issue.

- From time to time we may change or update information that is not materially adverse by providing a notice of changes on www.metlife.com.au.
- If there is a materially significant change or omission to this PDS, we will issue a supplementary or replacement PDS.

You can also obtain a paper copy of the updated information by calling us on 1300 555 625.

MetLife, part of the MetLife group of companies, is a specialist provider of life insurance to affinity partners, superannuation trustees and employers in Australia. MetLife has expertise in designing and executing both direct insurance programs for partners' customers and insurance solutions to meet the needs of specific member groups. MetLife has been a specialist provider of life risk insurance products in Australia since 2005.

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1. About Income Cover

Your decision to consider protecting yourself and your lifestyle against an unforeseeable loss of income, because of illness or injury is an important one. Your income provides a significant contribution towards your standard of living and the wellbeing of those dependent upon you.

Income Cover is designed to provide a replacement income to help you maintain your lifestyle. It can assist you to pay expenses such as your mortgage or rent, medical costs, everyday household bills, your child's education and transportation, in the event illness or injury prevents you from working.

This replacement income could alleviate the need to draw down on your life savings and could help reduce financial stress allowing you to focus on your recovery from your illness or injury.

1.1 What cover is available?

You can tailor your Income Cover to suit your personal circumstances. You can select either the Standard Package or Plus Package as well as select your own benefit period, waiting period and optional Superannuation Contribution Benefit. The benefits and features of each package are as follows:

Benefits and features	Standard Package	Plus Package
Benefit period*	Choice of 2 years, 5 years, to age 60, or to age 65	Choice of 2 years, 5 years, to age 60, or to age 65
Waiting period	Choice of 30, 60, 90 or 180 days	Choice of 30, 60, 90 or 180 days
Total Disability Benefit	✓	✓
Partial Disability Benefit	✓	✓
Premium Waiver	✓	✓
Recurrent Disability	✓	✓
Claim Indexation Benefit	✓	✓
Cover Indexation Benefit	✓	✓
Death Benefit	✓	✓
Retraining Expense Benefit	✓	✓
Bed Confinement Benefit	✗	✓
Home Care Benefit	✗	✓
Specific Illness Benefit	✗	✓
Specific Injury Benefit	✗	✓
Superannuation Contribution Benefit	✓ (optional)	✓ (optional)

* If you choose a benefit period longer than that provided by your existing group policy, it will only be accepted, subject to underwriting by us. For heavy risk occupations, the only available benefit period is 2 years.

If you are issued a policy, the package or any optional benefit you purchased will be shown on your policy schedule.

1.2 Who can apply?

You can apply for Income Cover if you are applying to continue cover from your previous group policy with us and you meet the requirements outlined in your group policy. In addition, you must have received this PDS in Australia.

You can purchase Income Cover to protect your own life only. As the sole policy owner of the policy, you will also be the insured person.

1.3 How much can I apply for?

It is important to consider your day-to-day expenses and lifestyle goals when purchasing Income Cover.

You can apply for up to 75% of your monthly income, subject to a minimum of \$1,000 and maximum of \$50,000 per month. This is called your monthly benefit.

Monthly benefit in excess of \$30,000 is subject to a 2 year benefit period. You can apply for this level of cover provided you held this amount of cover with us previously under an existing group policy.

How to calculate your income?

Full-time employee
The total monthly regular income received from your employer for personal exertion for your usual occupation. This amount includes salary sacrifice amounts but excluding overtime, bonuses, compulsory employee superannuation contribution, profit distributions, director's fees and any other non-regular payments.
Self-employed
Your average monthly earnings include the gross revenue generated by the business as a result of your personal exertion less eligible business expenses over the previous 12 months. This amount excludes investment income and mandated superannuation contributions.
Part-time or casual employee
Your average monthly income from personal exertion, before tax, received over the previous 12 months. This amount includes salary sacrifice amounts, but excluding overtime, bonuses, compulsory employer superannuation contribution, profit distributions, director's fees and any other non-regular payments.

You may also apply for an optional Superannuation Contribution Benefit for up to 100% of your compulsory employer superannuation contributions, subject to a maximum of \$5,000 per month. This is called your Superannuation Contribution monthly benefit.

The combined benefits of your monthly benefit and your Superannuation Contribution Benefit cannot exceed the policy maximum monthly benefit.

If you are issued a policy, your monthly benefit and your Superannuation Contribution Benefit monthly benefit (if selected) will be shown on your policy schedule.

1.4 Am I covered from the date I apply?

If applying for a continuation of cover from your previous group policy with us, cover will continue subject to us receiving a fully completed Application for Income Cover - Continuation form and correct premium within 60 days of cover ending under your previous group policy and meeting conditions of section 1.2 of this PDS and any other requirements specified in your group policy.

If applying for additional cover, interim accident cover will be provided for the amount of the cover being applied for upon us receiving a fully completed Application for Insurance form. Whilst your application is being assessed and you become totally disabled or partially disabled due to an injury which occurs during the period of interim accident cover, we will pay you the Total Disability Benefit, Partial Disability Benefit or Superannuation Contribution Benefit (as applicable), where the amount of the benefit will be the lesser of:

- 75% of your income earned during the 12 months prior to when you ceased working due to your injury, plus the Superannuation Contribution Benefit (if applicable);
- The amount of cover you have requested in your fully completed application; or
- \$15,000 per month.

Your interim accident cover ceases on the earlier of:

- When we issue your policy or decline your application;
- You withdraw the request for cover; or
- 90 days has passed from the date we receive your fully completed application form.

We will assess your application based on the information you give us. Occasionally, we may have additional questions that we need to ask. If this is the case, one of our consultants will call you to request the information we require.

1.5 How long are benefits payable for?

If you are unable to work due to an illness or injury for longer than your waiting period, Income Cover will provide monthly benefits up until the end of your benefit period while you remain unable to work due to your illness or injury.

The cover expiry ages for the benefit periods you can apply for are as follows:

Benefit period	Cover expiry age
2 years	Age 65
5 years	Age 65
To age 60	Age 60
To age 65	Age 65

Your benefit period and the expiry date will be shown on your policy schedule.

1.6 What is the maximum monthly benefit?

The maximum monthly benefit that you can apply for depends on the benefit period you have selected. This includes your monthly benefit plus Superannuation Contribution Benefit (if applicable) and any increases under Claim Indexation Benefit (refer section 2.5 on page 6) and Cover Indexation Benefit (refer section 2.6 on page 6).

The maximum monthly benefit that will apply is as follows:

Benefit period	Maximum monthly benefit
2 years	\$50,000
5 years	\$30,000
To age 60	\$30,000
To age 65	\$30,000

1.7 When does cover start?

Once your application has been accepted by us, your cover will commence. This PDS together with your policy schedule detailing the package type and monthly benefit constitutes your policy and is evidence of your insurance with us. Your policy schedule is issued to you based on the information provided by you on your application for insurance.

Please read these documents carefully and keep them in a safe place.

When your application is accepted, you will be covered 24 hours a day, 365 days a year for the benefits and option selected.

1.8 When does cover end?

We guarantee to renew your policy unless your cover ends. Cover ends on the earliest of the following events:

- You reach your cover expiry age;
- Your policy is cancelled due to non-payment of outstanding premiums;
- You ask us to cancel the policy; or
- Your death.

If your cover ceases, we will not consider any claim, unless the event giving rise to the claim occurred while the policy was in force.

2. Benefits and features

2.1 Total Disability Benefit

Standard Package ✓ Plus Package ✓

What happens if I cannot work?

If you are totally disabled after your selected waiting period, we will pay you a monthly Total Disability Benefit while you remain totally disabled.

The Total Disability Benefit will be paid when:

- You have been totally disabled for 14 consecutive days during your waiting period;
- You are either totally disabled or partially disabled for the balance of the waiting period; and
- At the end of the waiting period you remain totally disabled.

Refer to sections 3.4 and 3.5 for the amount of your benefit.

Your benefit payable will be based on your employment status:

- a. You have been working at the time your waiting period starts:

If you are unable to work in your usual occupation, the Total Disability Benefit will be assessed against your ability to perform the duties of your usual occupation even if you are on an annual, long service, maternity, paternity or sabbatical leave.

- b. You have been unemployed or not working for up to 12 months at the time your waiting period starts:

If you are unable to work in the usual occupation you had immediately prior to the commencement of your unemployment, the Total Disability Benefit will be payable at the end of the waiting period, for each month you remain unable to work for up to your benefit period.

- c. You have been unemployed or not working for more than 12 months at the time your waiting period starts:

If you are unable to perform at least 2 of the activities of daily living, the Total Disability Benefit will be payable at the end of the waiting period, for each month you remain unable to perform at least 2 of the activities of daily living for up to your benefit period.

2.2 Partial Disability Benefit

Standard Package ✓ Plus Package ✓

What if I can still perform some of my duties or can only work for a limited number of hours a week?

A proportional benefit (a Partial Disability Benefit) is paid if you resume employment at a reduced income while you remain partially disabled.

The Partial Disability Benefit will be paid when:

- you have been totally disabled for 14 consecutive days during the waiting period;
- you are either totally disabled or partially disabled for the balance of the waiting period; and
- at the end of the waiting period you remain partially disabled.

Refer to sections 3.4 and 3.5 for the amount of your benefit.

2.3 Premium Waiver Benefit

Standard Package ✓ Plus Package ✓

Do I have to pay premiums while I am receiving benefits?

If you are receiving a benefit for Total Disability, Partial Disability, Specific Illness or Specific Injury, we want you to focus on your recovery so we will waive your premiums.

Your premiums will recommence once your benefit payments cease.

2.4 Recurrent Disability

Standard Package ✓ Plus Package ✓

What if I suffer a recurring illness or injury?

Some illnesses and injuries can recur, therefore, if within 6 months of a Total Disability, Partial Disability, Specific Illness or Specific Injury Benefits being paid, we will treat the same or related illness or injury as a continuation of the previous claim and the waiting period will be waived, but the payments will only be made for any remaining part of the benefit period.

The payment of benefits for the same or related illness or injury together shall not exceed the maximum benefit period.

2.5 Claim Indexation Benefit

Standard Package ✓ Plus Package ✓

What happens to my benefits if I am disabled for more than a year?

If a Total Disability, Partial Disability or Superannuation Contribution Benefit is payable, the benefit amount will increase each year on the anniversary of the commencement of the benefit payments by the lesser of the indexation factor and 5%, subject to the maximum monthly benefit as described in section 1.6 on page 4.

2.6 Cover Indexation Benefit

Standard Package ✓ Plus Package ✓

What happens to my cover over time?

To ensure that your level of cover keeps pace with the rising cost of living, your monthly benefit and if selected the Superannuation Contribution monthly benefit will automatically increase each year on your policy anniversary by the indexation factor subject to a minimum of 5% per annum. Your monthly benefit can be increased up to the maximum monthly benefit as described in section 1.6 on page 4.

Given Income Cover replaces up to 75% of your lost monthly income if you become totally disabled, you need to check that the increase to your monthly benefit, after the indexation factor has been applied, does not result in your cover exceeding 75% of your current monthly income.

If you believe your level of cover is sufficient to meet your needs, you do not have to accept the Cover Indexation Benefit.

2.7 Death Benefit

Standard Package ✓ Plus Package ✓

What happens in the event of death?

In the event of your death while you are receiving benefits, we will pay 3 times your combined monthly Total Disability Benefit and Superannuation Contribution Benefit (if selected) to your nominated beneficiary (if applicable), or to your estate. This will assist in providing financial support to your family.

You can nominate a beneficiary at the time of application or call us on 1300 555 625 to request a Nomination of Beneficiary form. You can also cancel or change your nominated beneficiary at any time and you should review your nomination if your personal circumstances change.

We will confirm your nomination in writing.

2.8 Retraining Expense Benefit

Standard Package ✓ Plus Package ✓

Is there any financial assistance to help with retraining costs?

This benefit is to cover the cost of retraining expenses which directly assists your return to work.

If you are totally disabled or partially disabled, you may receive a Retraining Expense Benefit up to 6 times your combined monthly Total Disability Benefit and Superannuation Contribution Benefit (if selected). This maximum limit applies even if your disability is recurrent.

The Retraining Expense Benefit is paid directly to the provider of the retraining or vocational training program and any benefit payable will be reduced by any amounts that can be claimed for from any other source. Costs must be approved by us before they are incurred.

2.9 Bed Confinement Benefit

Plus Package ✓

What if I am confined to bed?

We will pay you a Bed Confinement Benefit of \$150 for each day you are confined to bed on the advice of your registered medical practitioner for up to 30 days. No waiting period applies to the Bed Confinement Benefit and it is payable in addition to any other benefit you may be entitled to receive under your Income Cover.

Have the peace of mind of knowing that we will provide you with the financial freedom to recover, assist with medical expenses and meet the costs associated with a change in lifestyle if you are confined to bed for more than 3 consecutive days.

2.10 Home Care Benefit

Plus Package ✓

What if I am being cared for by my family?

If you are totally disabled and receiving home care from a direct family member for more than 3 consecutive days, we will pay you a Home Care Benefit. This benefit is payable for each day you receive home care from a direct family member on the advice of your registered medical practitioner.

No waiting period applies to the Home Care Benefit and it is payable in addition to any other benefit you may be entitled to receive under your Income Cover.

We will pay a monthly benefit up to the lesser of:

- \$2,000; and
- 50% of the amount we consider is the monthly income lost by the direct family member directly resulting from their provision of home care.

2.11 Specific Illness Benefit

Plus Package ✓

What if I suffer a serious illness?

Serious illnesses can often result in a significant financial shock and may require an instant change to your lifestyle even if you are still able to work. Have the peace of mind knowing that you can obtain 6 times your combined monthly Total Disability Benefit and Superannuation Contribution Benefit (if selected), payable as a lump sum, to give you financial freedom to recover, assist with medical expenses and meet the costs associated with a change in your lifestyle in the event:

You are diagnosed as having one of the following medical conditions:

- Cancer
- Chronic kidney failure;
- Heart attack; or
- Stroke.

You have suffered or undergone one of the following:

- Coronary artery angioplasty multiple vessel;
- Coronary artery bypass surgery; or
- Major organ transplant.

To be paid a benefit under this **Specific Illness Benefit**, the medical condition or surgery will need to meet the criteria as defined in section 8 Glossary for **Specific Illness Benefit** on page 18.

There is no **waiting period** for the Specific Illness Benefit which is paid instead of and not in addition to any Total Disability, Partial Disability or Superannuation Contribution Benefit you may be eligible for. Once you have received a payment under this benefit, you will not be able to claim under this benefit in the future.

The Superannuation Contribution Benefit (if selected) will be paid to your nominated superannuation fund.

If you are unable to work 6 months after you have been paid the Specific Illness Benefit, you may be eligible for Total Disability, Partial Disability or Superannuation Contribution Benefits if the conditions for these benefits are met.

2.12 Specific Injury Benefit

Plus Package ✓

What if I suffer a serious injury?

We will pay a benefit if you suffer a listed specific injury. The amount of the benefit will be equal to your combined monthly Total Disability Benefit and Superannuation Contribution Benefit (if selected).

Serious injuries can often result in a significant financial shock and may require an instant change to your lifestyle even if you are still able to work. Have the peace of mind knowing that you can obtain a multiple of your monthly benefit, payable as a lump sum to provide you with the financial freedom to recover, assist with medical expenses and meet the costs associated with a change in your lifestyle.

The Specific Injury Benefit will be paid up to the payment period listed for each specified injury.

The specific injury events are:

- Paraplegia or Quadriplegia 24 months
- The total and permanent loss of use of:
 - Both hands or both feet or sight in both eyes 24 months
 - One hand and one foot 24 months
 - One hand and sight in one eye 24 months
 - One foot and sight in one eye 24 months
 - One arm or one leg 18 months
 - One hand or one foot or sight in one eye 12 months
 - Thumb and index finger from the same hand 6 months
- Fracture requiring a plaster cast or other immobilising device of the following bones:
 - Thigh (shaft) 3 months
 - Pelvis (except coccyx) 3 months
 - Skull (except bones of the face or nose) 2 months
 - Arm, between elbow and shoulder (shaft) 2 months
 - Shoulder blade 2 months
 - Leg (above the foot) 2 months
 - Kneecap 2 months
 - Elbow 2 months
 - Collarbone 2 months
 - Forearm, between wrist and elbow (shaft) 2 months

If you suffer from more than one specific injury at the same time, we will only pay one Specific Injury Benefit for the specific injury that has the longest payment period. There is no waiting period for the Specific Injury Benefit, which is paid instead of, and not in addition to any Total Disability, Partial Disability or Superannuation Contribution Benefit you may be eligible for.

The Superannuation Contribution Benefit (if selected) will be paid to your nominated superannuation fund.

Once you have received a payment under this benefit, you will not be able to claim under this benefit in the future.

After the payment period for which you have been paid a Specific Injury Benefit, if you are still unable to work you may be eligible for Total Disability or Partial Disability Benefits if you meet the conditions for these benefits.

2.13 Superannuation Contribution Benefit

Standard Package ✓ Plus Package ✓

What happens to my superannuation contributions if I cannot work?

The Superannuation Contribution Benefit is an optional benefit for an additional premium.

Don't let your superannuation contributions stop when you are recovering from an illness or injury. You can apply to cover up to 100% of your compulsory employer superannuation contribution under the Superannuation Contribution Benefit, subject to a maximum of \$5,000 per month. This benefit is payable directly to your nominated superannuation fund.

The Superannuation Contribution Benefit will be paid when:

- You have been **totally disabled** for 14 consecutive days during the **waiting period**;
- You are either **totally disabled** or **partially disabled** for the balance of the **waiting period**; and
- At the end of the **waiting period** you remain **totally disabled** or **partially disabled**.

Refer to sections 3.4 and 3.5 for the amount of your benefit.

We will not pay this benefit if you are not a member of a regulated superannuation fund at the time that you make a claim, or if the superannuation fund will not accept the payment.

3. Claims

If you need to make a claim, you, your nominated beneficiary or your legal personal representative will need to advise us as soon as practicable following the event. Please call us on 1800 221 599 and we will talk you through the claims process and send out relevant claim forms, which will need to be completed, signed and returned.

3.1 When are benefits payable?

Provided you meet the requirements of the benefit: The Total Disability, Partial Disability and Superannuation Contribution Benefits will start to accrue after your waiting period ends and are paid monthly in arrears.

The Death Benefit is a single lump sum payment that will be payable when your claim is accepted by us.

The Retraining Expense Benefit is payable directly to the provider of the retraining or vocational training program when the costs are approved by us.

The Bed Confinement Benefit will start to accrue from the first day that you are confined to bed on the advice of your registered medical practitioner and are paid monthly in arrears.

The Home Care Benefit will start to accrue from the first day that you are receiving home care from a direct family member on the advice of your registered medical practitioner and is paid monthly in arrears.

The Specific Illness and Specific Injury Benefits are single lump sum payments that will be payable when your claim is accepted by us.

3.2 How long are benefits payable for?

The Total Disability, Partial Disability, Superannuation Contribution and Retraining Expense Benefits will continue to be paid until the earlier of the following events occurs:

- You are no longer totally disabled or partially disabled;
- You reach the end of your benefit period;
- You reach your cover expiry age; and
- Your death.

The Bed Confinement Benefit will continue to be paid until the earlier of the following events occurs:

- You are no longer confined to bed;

- Your registered medical practitioner no longer advises that you need to be confined to bed;
- You have been paid for 30 days under the Bed Confinement Benefit for any period of disability;
- You reach your cover expiry age; and
- Your death.

The Home Care Benefit will continue to be paid until the earlier of the following events occurs:

- You are no longer totally disabled;
- You are no longer receiving home care from a direct family member;
- Your registered medical practitioner no longer advises that you require home care;
- You have been paid for 6 months under the Home Care Benefit for any period of disability;
- You reach your cover expiry age; and
- Your death.

The Death, Specific Illness and Specific Injury Benefits are single payment benefits.

3.3 When we won't pay

For all benefits

We will not pay any benefit if the illness or injury occurring is directly or indirectly as a result of:

- An intentional self-inflicted act or any attempt to commit suicide;
- Pregnancy, unless disability continues for longer than three months after the pregnancy ends, in which case disability will be considered to have started the date the pregnancy ends; or
- War.

We will also not pay any benefit if the payment would cause us to infringe any legislation in connection with health insurance.

For Specific Illness Benefit

Where the condition, procedure or symptoms of the condition first became apparent before or within 90 days of your policy commencing, reinstating or cover increasing other than as a result of the Cover Indexation Benefit (in which case this restriction applies only to the amount of the increase).

3.4 How do other forms of income affect my benefits?

We may reduce the Total Disability or Partial Disability Benefits if you are receiving or are entitled to receive other payments from the following sources:

- Through Workers Compensation or any similar legislation or any settlement under common law;
- Under social security or other statutory or government payments;
- In respect of loss of income (whether legislated or otherwise);
- Under any statutory accident compensation scheme; or any disability, injury or illness policy (other than lump sum total and permanent disability).

We may also reduce the Total Disability Benefit or Partial Disability Benefit by the amount of sick leave you are paid by your employer.

In addition, a Partial Disability Benefit may be reduced by any amount or any income we believe you could reasonably be expected to earn in your usual occupation whilst partially disabled.

If you receive any payments listed above while **totally disabled** or **partially disabled** as a lump sum, we will convert this into a **monthly income** amount on the basis of 1/60th of the lump sum (i.e. the lump sum is amortised over a period of 60 months).

If an adjustment applies, it will be to ensure that the:

- Total Disability Benefit plus the other payments is not greater than 75% of your pre-disability income; and
- Partial Disability Benefit plus the other payments is not greater than 100% of your pre-disability income.

The Superannuation Contribution Benefit may be reduced by the amount of any:

- Employer superannuation contribution paid to your superannuation account; and

- Benefits payable under any other income protection policy, but only to the extent that any other income protection policy is designed to replace in whole or part of the compulsory superannuation entitlements you would have benefited from had you not been **totally disabled** or **partially disabled**.

In addition, a Superannuation Contribution Benefit may be reduced by any amount we believe you could reasonably be expected to earn in your usual occupation whilst **partially disabled**.

If an adjustment applies, it will be to ensure that the Superannuation Contribution Benefit plus the other superannuation payments is not greater than 100% of your **pre-disability compulsory employer superannuation contributions**.

3.5 How much will I receive?

3.5.1 Total Disability Benefit

The Total Disability Benefit will be the lesser of:

- Your **monthly benefit** amount as shown on your **policy schedule**; or
- 75% of your **income** earned during the 12 months prior to when you ceased working due to your **illness** or **injury**.

If you are unemployed or not working at the commencement of your **illness** or **injury**, you will still be entitled to receive a Total Disability Benefit. This will be based on the lesser of:

- Your **monthly benefit** amount as shown on your **policy schedule**; or
- 75% of your **income** earned during the 12 months prior to when you last worked.

If you are eligible to be paid for part of a month, we will pay you 1/30th of the Total Disability Benefit amount for each day you are entitled to be paid.

3.5.2 Partial Disability Benefit

The amount of any Partial Disability Benefit will depend on how many hours you are able to continue in paid work.

Benefit amount paid will be:

$(A - B)/A \times \text{your monthly benefit}$

where

A = your pre-disability income; and

B = your monthly earnings in respect of the month to be paid.

If you are partially disabled, but not working to your assessed capability, 'B' will be calculated on the earned income you would reasonably be expected to earn if you were working to the extent of your assessed capability. In determining the assessed capability, we will take into account all medical and other appropriate evidence.

If the percentage loss of earned income is 75% or more, we will deem the loss to be 100%.

If you are eligible to be paid for part of a month, we will pay you 1/30th of the Partial Disability Benefit amount for each day you are entitled to be paid.

3.5.3 Superannuation Contribution Benefit

The benefit amount paid will be:

$(A - B)/A \times \text{the Superannuation Contribution Benefit}$

where

A = your pre-disability compulsory employer superannuation contributions; and

B = your compulsory employer superannuation contributions in respect of the month to be paid.

If you are partially disabled, but not working to your assessed capability, 'B' will be calculated on the compulsory employer superannuation contributions you would reasonably be expected to earn if you were working to your assessed capability. In determining the assessed capability, we will take into account all medical and other appropriate evidence.

If you are eligible to be paid for part of a month, we will pay you 1/30th of the Superannuation Contribution Benefit amount for each day you are entitled to be paid.

3.6 Concurrent claims

We will only pay one monthly benefit even if more than one illness or injury has resulted in you being totally disabled or partially disabled.

The Bed Confinement Benefit will be payable in conjunction with any other payment under this policy.

If the Specific Illness Benefit or Specific Injury Benefit has been paid or is payable, the Home Care Benefit will not be paid in respect of the same period of disability.

If you are entitled to receive a Specific Illness Benefit or Specific Injury Benefit, you will not be eligible to receive a Total Disability Benefit, Partial Disability Benefit or Superannuation Contribution Benefit at the same time. You may be eligible to receive these benefits once the period for which you have received a Specific Illness Benefit or Specific Injury Benefit has ended.

If you are eligible to receive the Specific Illness Benefit and Specific Injury Benefit, we will only pay one of these benefits for the specific injury event or specific illness event that has the longest payment period.

3.7 What if I'm overseas?

3.7.1 Cover overseas

If you are an Australian resident, cover will be provided for up to 36 months whilst outside Australia. If you are not an Australian resident, cover will be provided for up to 90 days after you leave Australia.

3.7.2 Claims overseas

If you are overseas, your payments will continue for up to 12 months unless you return to Australia.

We may require that you return to Australia at your own expense for the assessment of a claim unless we agree otherwise.

4. Fees and costs

4.1 Premiums

The premiums payable for this policy are based on a number of factors including:

- The level of **monthly benefit** selected;
- Your age and gender;
- Your smoking status;
- Your health; and
- Your usual occupation.

To know what premium will apply to you, please contact us for a quote.

Premiums are re-calculated based on your age at each policy anniversary. We will send you a notice prior to each policy anniversary confirming your premium.

We can also change the premium rate for all policies of the same kind by providing you with at least 30 days' written notice. You will be charged the new premium from your next policy anniversary.

4.2 Discount

You may be eligible for a premium discount based on the amount of the monthly benefit you take up.

Please note that the large monthly benefit discount does not apply to the policy fee, stamp duty or other charges.

The following table shows how the discount will be applied.

Monthly benefit	Discount
Upto \$2,499	0%
\$2,500- \$4,999	5%
\$5,000- \$9,999	10%
\$10,000 or above	15%

4.3 Payment of premiums

Flexible payment options are available to you. You can pay your premiums fortnightly, monthly or annually by direct debit or by credit card (Visa, American Express or Diners). We do not accept payments via cheque or cash.

If you pay annually you will receive a 3% discount on your premiums net of policy fee.

4.4 Policy fee

Your premium will include an annual policy fee of \$80.00 (as at 1 July 2014). This policy fee may be increased at your policy anniversary by any amount up to the inflation since the last time the annual policy fee was adjusted.

4.5 Government charges

You are liable for any government charges relating to this policy. Any government charges are in addition to your premiums.

We will notify you of any additional charges due to legislative changes and we reserve the right to increase the amount we charge you.

4.6 Non-payment of premiums

To maintain your policy, you need to pay your premiums when due. We may cancel your policy if you don't pay your premiums within this period. If we cancel your policy due to non-payment of premiums, you can ask us to reinstate your policy up to 12 months after the date of cancellation

5. General information

5.1 Cooling off period

For your peace of mind, Income Cover comes with a 30 day cooling off period. This means you have 30 days from the policy commencement date to review your policy and ensure it meets your needs.

If you wish, you can cancel your policy during the 30 day cooling off period, the policy will be cancelled and we will refund any premium you may have paid, provided that you have not made a claim or there has been no event that has occurred which could give rise to a claim being made.

5.2 Duty of Disclosure

Before you enter into a life insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, that may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you extend, vary or reinstate the contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If the insurance is for the life of another person and that person does not tell us everything he or she should have, this may be treated as a failure by you to tell us something that you must tell us.

If you do not tell us something

In exercising the following rights, we may consider whether different types of cover can constitute separate contracts of life insurance. If they do, we may apply the following rights separately to each type of cover.

If you do not tell us anything you are required to, and we would not have insured you if you had told us, we may avoid the contract within 3 years of entering into it.

If we choose not to avoid the contract, we may, at any time, reduce the amount you have been insured for. This would be worked out using a formula that takes into account the premium that would have been payable if you had told us everything you should have. However, if the contract has a surrender value, or provides cover on death, we may only exercise this right within 3 years of entering into the contract.

If we choose not to avoid the contract or reduce the amount you have been insured for, we may, at any time vary the contract in a way that places us in the same position we would have been in if you had told us everything you should have. However, this right does not apply if the contract has a surrender value or provides cover on death.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

5.3 Legal interpretation

This PDS is subject to and governed by the laws of the state of New South Wales.

5.4 Guaranteed renewable

Provided you continue to pay your premiums, your policy will continue until you reach your cover expiry age, unless your policy ends earlier (please refer to section 1.8 When does cover end? on page 4). This guarantee applies regardless of any change in your health or personal circumstances.

5.5 Reinstatement

You are able to apply for reinstatement of a lapsed policy within 12 months of your policy lapsing. To do this, a reinstatement application must be completed. You will also be required to pay any premium arrears. We may also ask for information relating to (but not limited to) your health and usual occupation.

If we accept your reinstatement, the same conditions explained under Benefits and Claims (please refer to sections 2 and 3 on pages 5-11) will apply to your reinstated policy.

5.6 Policy ownership

You may not assign or transfer the ownership of this policy.

5.7 Statutory funds

Premiums for this policy will be placed in our No.1 Statutory Fund and any claims paid under this policy will be paid from this fund.

5.8 Australian currency

All premiums and benefits payable under this policy shall be paid in Australian currency.

5.9 No cash value

Income Cover is not a savings plan and does not have investment cash or surrender value, it provides insurance cover only.

5.10 Occupation

We will charge you the premium rate based on your occupation the time you apply for a policy. We reserve the right to decline certain occupations if they would be considered uninsurable by us.

5.11 Taxation

Generally, the premiums for Income Cover may be tax deductible and benefits paid will generally be assessable as income. Any benefits paid under the Income Cover including the Superannuation Contribution Benefit will generally be considered income. The tax treatment will depend on your individual circumstances.

GST does not apply to the premium.

This information is based on continuance of present tax laws and our interpretation of those laws. Your individual situation may differ and you should seek qualified professional advice in relation to your own circumstances.

5.12 Complaints resolution

It is our commitment that we will always attempt to satisfactorily answer any questions and resolve any problems or complaints you may have regarding this policy or our services. If you wish to make a complaint about this product or our services, please contact us on 1300 555 625, email auservices@metlife.com or write to:

Dispute Resolution Officer
MetLife Insurance Limited
Reply Paid 3319, Sydney NSW 2001

You may contact the Financial Ombudsman Service (FOS) if you are not satisfied with how we respond to your complaint. FOS is an independent body whose services are available to you at no cost. They can be contacted by calling 1800 367 287, email info@fos.org.au or write to:

The General Manager
Financial Ombudsman Service
GPO Box 3, Melbourne VIC 3001

5.13 Privacy

We collect, use and retain personal information in accordance with the Australian Privacy Principles and the Privacy Act 1988 (Cth).

We collect, use, process and store personal information and, in some cases, sensitive information about you, in order to comply with our legal obligations, to assess your application for insurance cover, to administer the insurance cover provided, to enhance customer service or products and to manage claims.

If you do not agree to provide us with the information, we may not be able to process your application, administer your cover or assess your claims.

In dealing with us, you agree to us using and disclosing your personal information as set out in this section and in our Privacy Policy.

For further information about how we handle your personal information, details of how you can access or correct the information we hold about you or make a complaint, you can access our Privacy Policy at www.metlife.com.au/privacy or contact us on 1300 555 625.

5.14 Privacy complaints

Should you have any queries in relation to how we collect, handle and manage your personal information (including sensitive or health information), or wish to make a complaint about a possible breach of your privacy, you can contact us using the contact details below. You will need to provide us with sufficient details of the nature of your complaint, as well as any supporting evidence and/or information.

We will refer your complaint to our Privacy Officer who will investigate the issue and determine the steps we will take to resolve your complaint. We will contact you if we require any additional information from you and will notify you in writing of the outcome of your complaint.

MetLife Privacy Officer
PO Box 3319
Sydney NSW 2001
Phone: 1300 555 625

If you are dissatisfied with our response, you may lodge a complaint with the Office of the Australian Information Commission (OIAIC). The OIAIC's contact details are as follows:

GPO Box 5218
Sydney NSW 2001
Phone: 1300 363 992
Email: enquiries@oaic.gov.au
Website: www.oaic.gov.au

6. Risks

The significant risks associated with holding a Your Life insurance policy which you should consider include:

- Your policy is not a savings plan, you will not get anything back if it is cancelled;
- If you do not comply with your duty of disclosure we may not pay your claim, pay only part of your claim, or avoid your policy;
- If you do not comply with the policy terms and conditions (for example, premiums are not paid when due, or you have delayed in notifying us of a claim and our interests have been prejudiced by the delay), and we refuse to pay all or part of your claim;
- Whether your policy will provide the cover you require because:
 - The amount of cover you have is more or less than you need;
 - The type of cover you require does not match the cover provided by your policy (for example, because you do not satisfy terms and conditions of cover or an exclusion applies);
- If you have selected variable premiums your premium rates are not guaranteed.

You should consult your adviser to assist you in determining which of the above risks are significant in your particular circumstances.

7. Glossary

Throughout this document there are defined terms which have particular meaning and their particular meanings are listed below.

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

Accident: means an event that occurs during the life of this policy which solely and directly causes injury as a result of violent, external and visible means.

Activities of daily living: means:

- Bathing and/or showering;
- Dressing and undressing;
- Eating and drinking;
- Maintaining continence with a reasonable level of personal hygiene - to use the toilet including getting on and off; and
- Mobility - getting in and out of bed, a chair or wheelchair, or moving from place to place by walking, wheelchair or walking aids.

Benefit period: means the maximum period of time which a benefit will be paid when you are disabled. The benefit period will start on the date immediately after the waiting period for the illness or injury giving rise to your Income Cover claim.

Confined to bed: means you are totally disabled and a registered medical practitioner has certified that you require the continuous full time care of a registered nurse.

Cover expiry age: means expiry date shown on your policy schedule.

Direct family member: means your:

- Spouse or de-facto spouse;
- Parent or parent-in-law;
- Child who is at least 18 years of age; or
- Sibling who is at least 18 years of age.

Disability or disabled: means totally disabled or partially disabled.

Employed or employment: means being engaged in permanent employment for at least the 15 hours per week.

Government charges: means any fee, charge, levy or tax payable to a government body or any other public authority in relation to this policy and includes stamp duty, other duties, fees, taxes and other charges.

Home care: means you are confined to or near a bed, other than in

a hospital or a similar institution that provides nursing care, and are totally dependent upon a **direct family member**.

Illness: means a disease or sickness first occurring after the policy commencement date.

Income: means where you are:

- **Full-time employed**
The total monthly regular income received from your employer for personal exertion for your usual occupation. This amount includes salary sacrifice amounts but excluding overtime, bonuses, compulsory employer superannuation contribution, profit distributions, director's fees and any other non-regular payments.
- **Part-time or casually employed**
Your average monthly income from personal exertion, before tax, received over the previous 12 months. This amount includes salary sacrifice amounts but excluding overtime, bonuses, compulsory employer superannuation contribution, profit distributions, director's fees and any other non-regular payments.
- **Self-employed (where you directly or indirectly own part or all of the business from which you earn a regular income)**
Your average monthly earnings include the gross revenue generated by the business as a result of your personal exertion less eligible business expenses over the previous 12 months. This amount excludes investment income and mandated superannuation contributions.

Income producing duty: means a duty of your usual occupation that generates at least 20% of your monthly income or which we consider essential to producing your monthly income.

Indexation factor: means the percentage change in the consumer price index (CPI) which is the weighted average of the 8 Australian capital cities combined as published by the Australian Bureau of Statistics or any organisation which succeeds it and in respect of the 12 month period finishing on 30 September.

The indexation factor will be applied from 1 March the following year. If the CPI is not published by this date, the indexation factor will be calculated upon a retail price index which we consider most nearly replaces it.

Injury: means bodily injury resulting from an accident occurring after the policy commencement date.

Insured person: means the person who has been accepted by us and shown on the policy schedule as the insured person under this policy.

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

Monthly benefit: means the amount you apply for and we accept as varied by agreement.

Monthly income: means is the income you earned in one calendar month.

Partially disabled: means you are:

- Unable to work in your usual occupation at full capacity as a result of the illness or injury;
- Working or capable of working in your usual occupation, but only in a limited capacity;
- Earning an income less than your pre-disability income; and
- Under the regular care and following the advice of a registered medical practitioner.

Policy: means your Income Cover insurance, the terms of which consist of this PDS, policy schedule and information you provided in your application.

Policy anniversary: means the anniversary of the policy commencement date.

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

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

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

Pre-disability compulsory employer superannuation

contributions: means your average monthly compulsory employer superannuation contributions over the 12 months prior to your waiting period starting.

Pre-disability income: means your average monthly income over the 12 months immediately prior to your waiting period starting. If you are on unpaid leave, maternity, paternity or sabbatical leave at the time of your illness or injury that is resulting in a claim, pre-disability income means your average monthly income over the 12 months immediately prior to your leave.

Premium: means the amount you pay us for the insurance.

Retraining expenses: means the cost of a retraining program, which we have approved in writing prior to you incurring such costs (other than a retraining program providing 'hospital treatment' or 'general treatment' within the meaning of the Private Health Insurance Act 2007 (Cth)).

Registered medical practitioner: means a medical practitioner, who is legally qualified and properly registered in Australia. The medical practitioner cannot be your direct family member or your business associate. If practising outside Australia, the medical practitioner must have qualifications equivalent to Australian Standards.

Registered nurse: means a person who is registered and practicing as a nurse. The registered nurse cannot be your direct family member or your business associate. If practising outside Australia, the nurse must have qualifications equivalent to Australian Standards.

Totally disabled: means you:

- Are unable to perform at least one income producing duty of your usual occupation;
- Not working in any occupation, whether or not for reward; and
- Are under the regular care and following the advice of a registered medical practitioner.

Usual occupation: means:

- your primary occupation you perform if you were employed at the time of your illness or injury; or
- the primary occupation you performed prior to your unemployment if you were unemployed at the time of your illness or injury.

Waiting period: means the period of time during which a benefit will not be paid. The waiting period is the number of continuous days and commences on the first day you consult your registered medical practitioner and they certify you are disabled.

War: means an act of war (whether declared or not), revolution, invasion, rebellion or civil unrest.

We, us and our: means MetLife Insurance Limited, ABN 75 004 274 882 AFSL 238096.

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

8. Glossary for the Specific Illness Benefit

Cancer: means the presence of one or more malignant tumours including malignant lymphoma, Hodgkin's disease, leukaemia, malignant bone marrow disorders and melanomas greater than or equal to Clark Level 3 or greater than or equal to 1.5mm depth of invasion as determined by histological examination.

The tumour must be characterised by:

- The uncontrolled growth and spread of malignant cells; and
- The invasion and destruction of normal tissue.

The following tumours are excluded:

- Tumours which are histologically described as pre-malignant or show the malignant changes of 'carcinoma in situ';
- melanomas of less than 1.5mm depth of invasion and which are also less than Clark Level 3 depth of invasion as determined by histological examination;
- All forms of skin cancer that are not melanomas;
- Prostate cancers which are both histologically described as TNM Classification T1 or lesser (or any other equivalent or lesser classification) and have a Gleason score of 6 or less; and
- Chronic lymphocytic leukaemia less than Rai Stage 1.

* Carcinoma in situ is covered in the following circumstances where the procedures are performed specifically to arrest the malignancy and are considered the appropriate and necessary treatment:

- Carcinoma in situ of the breast if it results in the removal of the entire breast; or
- Carcinoma in situ of the prostate if it results directly in the removal of the prostate.

Chronic kidney failure: means end stage renal failure presenting as chronic irreversible failure of the function of both kidneys to function, as a result of which regulating renal dialysis is instituted.

Coronary artery angioplasty multiple vessel: means angioplasty of the coronary arteries (with or without the insertion of a stent, laser therapy or atherectomy) to:

- Three or more coronary arteries within the same surgical procedure; or
- The left anterior descending coronary artery together with any other coronary artery within the same surgical procedure.

The treatment must be required on medical grounds and must be the most appropriate treatment.

Coronary artery bypass surgery: means medically necessary coronary artery bypass graft surgery performed to correct coronary artery disease causing inadequate myocardial blood supply, but does not include laser therapy, angioplasty or any other intra-arterial procedures.

Heart attack: means the death of a portion of the heart muscle as a result of inadequate blood supply to the relevant area. The basis for the diagnosis of a heart attack shall be supported by the following clinical features:

- New electrocardiography (ECG) changes; and
- Diagnostic elevation of cardiac enzyme CK-MB or Troponin I greater than 2.0 µg/l or Troponin T greater than 0.6 µg/l.

If the above is inconclusive, then we will consider a claim based on conclusive evidence that you have been diagnosed as having suffered a heart attack resulting in:

- New pathological Q waves; or
- A permanent left ventricular ejection fraction of 50% or less, measured three months or more after the event.

Major organ transplant: means you have suffered organ failure resulting in either an organ transplant, or upon specialist medical advice you are placed on an official Australian acute care hospital waiting list to undergo organ transplant, from a human donor of one or more of the following:

- Bone marrow;
- Heart;
- Kidney;
- Liver;
- Lung;
- Pancreas; or
- Small bowel.

The transplantation of all other organs or parts of any organ or any other tissue is excluded.

Stroke: means the first occurrence of the cerebrovascular accident or incident producing permanent neurological deficit resulting in permanent impairment of at least 25% of whole person function. Whole person function is measured using the definition on the American Medical Association's Guides to the Evaluation of Permanent Impairment 6th edition or an equivalent guide to impairment approved by us.

9. Direct Debit Service Agreement

The following terms and conditions relate to the use of direct debit payments from your bank account or credit card. You (or the account holder if different to you) will need to keep this document with your records.

- a. You are responsible for ensuring the nominated account can accept direct debits and there are sufficient clear funds available in the nominated account to permit payments on the due date.
- b. We will initiate debits from your nominated bank account or credit card in accordance with your application.
- c. We agree to provide not less than 14 days' notice to you if we propose to vary these arrangements.
- d. You may request deferment of/or alteration to the agreed drawing schedule by writing to:
MetLife GPO Box 3319, Sydney NSW 2001.
We reserve the right to decline this request.
- e. You (or the account holder if different to you) can cancel, defer the direct debit, or suspend an individual debit from taking place under it, by notifying us by phone, fax, or by notice in writing. You need to allow us 14 days to process any cancellation, deferment or suspension.
- f. In the event you disagree with any debit under the arrangement with us, you should call us on 1300 555 625 or write directly to The Dispute Resolution Manager at the address in point d.
- g. Direct debits will be done on the same date of the relevant month unless otherwise agreed. When the due date for payment falls on a day that is not a business day, we will debit your account on the next business day.
- h. In the event that your financial institution refuses to pay any direct debit made under the arrangement, we will write to you requesting alternative payment.
- i. We will keep any information (including your account details) in your direct debit request confidential. We will make reasonable efforts to keep any such information that we have about you secure and to ensure that any of our employees or agents who have access to information about you do not make any unauthorised use, modification, reproduction or disclosure of that information.

We will only disclose information that we have about you: :

- To the extent specifically required by law; or
 - For the purposes of this agreement (including disclosing information in connection with any query or claim).
- j. Initially, you should direct any request for stops or cancellations to us.

For more information

Call 1300 555 625 Monday to Friday 8:00am to 6:00pm AEST

metlife.com.au

MetLife Insurance Limited | Level 9, 2 Park Street, Sydney | NSW 2000



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