

/ PRODUCT DISCLOSURE STATEMENT

AEA-V Income Protection Insurance Scheme.

EFFECTIVE
1 SEPTEMBER 2017



BankVic

SCHEME OVERVIEW AND IMPORTANT DETAILS

Your union, United Voice, Ambulance Employees Association Victoria (AEA-V) has established an insurance scheme to provide income to scheme members in the event that they suffer a serious injury or illness and are unable to work for an extended period.

This plan is available through Police Financial Services Limited ABN 33 087 651 661 AFSL 240293 trading as BankVic and is open to all AEA-V financial members.

The insurance cover is underwritten by Lloyd's of London (Lloyd's) and administered by BankVic. This document is designed to explain how the scheme works and the specific policy terms and conditions that determine what you are covered for. It is very important that you read the whole document and are comfortable that you understand all of this information before you decide to join, or leave the plan. You should note that if you leave the plan and decide to re-join at a later date your cover may be subject to restrictions that do not apply to you now.

This document has been prepared by BankVic as an information document for current and prospective members of the AEA-V Income Protection Scheme. It does not take into account any person's individual circumstances and you should always consider your individual needs and seek professional advice where appropriate, before you enter into any kind of insurance contract.

DETAILS OF KEY PROVIDERS FOR THE SCHEME

Below are the details of the related bodies involved in putting the insurance program together with their roles explained and their contact details.

United Voice, Ambulance Employees Association, Victoria (AEA-V) ABN 52 728 088 684

RESPONSIBLE FOR	CONTACT DETAILS
AEA-V owns the master policy on behalf of it's members. AEA-V may decide to change insurers where they believe it is in the best interest of their members.	117 Capel Street North Melbourne Vic 3051 Telephone: 03 9235 7665

Lloyd's of London

RESPONSIBLE FOR	CONTACT DETAILS
Lloyd's is the world's oldest insurance organisation and is responsible for providing the insurance policy issued to AEA-V for it's members.	Lloyd's Australia Limited Level 9, 1 O'Connell St Sydney NSW 2000 Telephone: (02) 8298 0783 Facsimile: (02) 8298 0788 Email: idraustralia@lloyds.com

Police Financial Services Limited ABN 33 087 651 661 AFSL 240293 (trading as BankVic)

RESPONSIBLE FOR	CONTACT DETAILS
BankVic is the primary point of contact for the AEA-V members who are insured under the plan or would like to join. They will provide you information regarding the scheme and arrange for you to join the scheme. BankVic undertake the management of the policy and support the claims process with Lloyds and their administrators in Australia.	BankVic Wealth Management 215 Spring Street, Melbourne 3000. Telephone: 13 63 73

POLICY INFORMATION

Following is the details of your cover under this policy.

Key Features of the scheme													
FEATURE	EXPLANATION												
Cover of Injury or Illness	The policy covers periods of Total or Partial Disability that are the result of suffering either an Injury or Illness.												
Waiting Period – 30 days	This is the time that you need to be off work due to an Injury or Illness before benefits begin to become payable under the policy.												
Benefit Period – 2 years	This is the maximum amount of time that your benefits will be payable for any one claim under the policy. Benefits may be less than 2 years if you turn age 65 as this is the maximum age that benefits are payable to.												
Benefit amount – 75% of Income up to a maximum of \$10,625 per month benefit	The amount payable is based on your average earnings from your employer for the 12 months before each year’s scheme review upon which your premiums are calculated. This includes all of your overtime and allowances that you were paid. The maximum benefit is based on a cap of insuring an annual income of \$170,000.												
Partial Disability	If you have been totally disabled for more than two weeks, and the waiting period has passed, or if you return to work but are earning less because of the injury or illness, the policy will pay a Partial benefit payment so that you are no worse off than if you were on a full Total Disability claim.												
Premium Rate	<p>Your premium is charged as a percentage of your insured income rate based on your age and includes the Stamp Duty and all other charges. These rates are as follows:</p> <table border="0"> <tr> <td>Under 35</td> <td>1.50%</td> </tr> <tr> <td>35-39</td> <td>1.75%</td> </tr> <tr> <td>40-44</td> <td>2.00%</td> </tr> <tr> <td>45-49</td> <td>2.50%</td> </tr> <tr> <td>50-54</td> <td>3.00%</td> </tr> <tr> <td>55 and older.....</td> <td>3.25%</td> </tr> </table> <p>Your premium will be updated annually and the new premium will be applied to your first pay run from November each year. In some cases your premium update may be applied at a later date depending on your payroll department.</p>	Under 35	1.50%	35-39	1.75%	40-44	2.00%	45-49	2.50%	50-54	3.00%	55 and older.....	3.25%
Under 35	1.50%												
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40-44	2.00%												
45-49	2.50%												
50-54	3.00%												
55 and older.....	3.25%												

Key Features of the scheme

FEATURE	EXPLANATION
Worldwide Cover	Your policy covers you worldwide 24 hours per day. The only restriction is that if you are on claim you must return to Australia within 3 months of becoming disabled and remain in Australia undergoing treatment for benefits to be payable.
Automatic Acceptance for new members of the scheme	If you are under 60 and are Actively at Work, and you join the plan within the initial period of eligibility, i.e. within 60 days of first joining the AEA-V, you are granted the cover without having to undergo any medical underwriting and your cover will not be subject to the pre-existing conditions exclusion.
No Cover whilst working	This plan is to provide benefits for anything that happens away from work. If you are entitled to benefits under Workers Compensation there are no benefits under this scheme.
Rehabilitation Benefit	Lloyd's will also help with the cost of rehabilitation if you have them approve the rehabilitation program before you commit to undertake it.
Recurrent Disablement	If you have been on claim, then return to work, but find you need more time off because of the same injury or illness, if this is within 6 months of when you went back to work, there is no need to wait out another 90 days, as it is considered as a continuation of your earlier claim.
Premium Waiver	When you are on claim and receiving benefits you are not required to pay any premiums that fall due.

WHAT IS NOT COVERED UNDER THE SCHEME

As with all insurance plans there are some things that are not covered, these are called exclusions and are listed below:

Scheme exclusions	
EXCLUSION	EXPLANATION
Intentional self-inflicted injury.	You are not covered for anything that you deliberately do to yourself.
Uncomplicated pregnancy or childbirth.	Pregnancy is not considered as an insured event however if you suffer a pregnancy related health problem that stops you working earlier than would normally be the case, you may be entitled to a benefit.
Any Total or Partial Disability for which any benefit is payable from a statutory workers compensation insurer.	The policy does not cover anything that is covered by workers compensation. However in certain cases payments may be made on the basis that they will be reimbursed at a later time by a workers compensation scheme.
Service in the armed forces of any national or international organisation including active service and training exercises within national or international armed force, including reserve units.	If you have a health condition related to military service this is not covered under the policy.
No benefit will be payable for any injury or illness for which you have been treated for (or for which a reasonable person would have sought treatment) in the 2 years prior to becoming insured or having cover reinstated. Any such Injury or Illness will be covered after a period of two (2) continuous years during which there has been no treatment required for that injury or illness.	For members of the AEA-V who choose to join the scheme outside the first offer window, i.e. within 60 days of when they first became members of the AEA-V, they are subject to this restriction on cover. This would also apply to anyone who leaves the plan and then chooses to re-join at a later date. This also applies to all members who are over the age of 60 when they first join the plan regardless of when that may be.

Scheme exclusions

EXCLUSION	EXPLANATION
War or acts of war whether declared or not.	If you are injured whilst travelling to a war zone or there is an act of war in the Commonwealth of Australia this is not covered under the policy.
Terrorism and Nuclear Radiation exposure.	For the details of these terms you should read the full definition at the back of this document.

OTHER IMPORTANT INFORMATION ABOUT THE SCHEME

BENEFITS OFFSETS

If you are entitled to receive an income replacement payment from either a superannuation fund, other insurance policy or a social security payment, your AEA-V scheme income protection benefit will be reduced by the amount of that entitlement.

COVER WHILST ON LEAVE WITHOUT PAY

If you are going on a period of leave without pay you may continue your insurance cover by informing BankVic before you start that period of leave. You also need to arrange to pay your premium for the period on leave. The maximum period that you can arrange the extension of cover is 12 months.

If you do suffer an injury or illness while on leave your benefits will not start to be payable until the time when you would have normally returned to work and would have been earning an income.

WHEN DOES INSURANCE COVER END

Your cover under this scheme will cease if any of the following occurs:

- The premium for your specific cover is not paid and remains unpaid for more than 30 days after you have been advised that it is due to be paid.
- You reach the maximum insured age of 65 years.
- If you cease to be employed for any reason.
- If you cease to be a financial member of the AEA-V.
- If you cease membership of BankVic.
- If the Policy issued to AEA-V is terminated for any reason.

HOW TO MAKE A CLAIM

If you have suffered an Injury or Illness that is likely to cause you to be off work for more than 30 days, you should contact BankVic Wealth Management to obtain a claim form. You must complete this form and have your treating doctor complete the medical report section (at your cost) and then return it to BankVic at the address on the form.

YOUR PRIVACY

All your personal information is handled with care. The information collected about you is solely so key providers of the scheme can provide you with insurance products and a claims service. We only provide your personal information to other Insurers, and insurance reference service, assessors, service providers as required or permitted by law. Should a claim arise, we may provide information to and or collect further information about you from legal advisers or investigators. You may elect not to supply us with personal information, however we may then not be able to process your requests. You can access or update this information by contacting BankVic or the AEA-V. A copy of BankVic's Privacy Policy can be obtained from our website.

GENERAL INSURANCE CODE OF PRACTICE

The General Insurance Code of Practice is a self-regulatory code that aims to raise the standards of practice and service in the insurance industry. The Code applies to general insurers who write certain domestic and personal classes of insurance including home, motor, and personal accident and sickness insurance. The General Insurance Code of Practice describes standards of good practice and service to be met by General Insurance Companies. Lloyd's have adopted the Code of Practice. Further information on the Code is available from Lloyd's.

COOLING OFF PERIOD

If after you have joined the plan and then decide that it is not suitable for your needs, and wish to cancel, please notify BankVic in writing. If this is within 21 days of signing your application your cover will be cancelled and any premiums collected will be returned in full.

IF YOU HAVE A DISPUTE

If you are unhappy with a decision made, a claim settlement, service, or the service of others appointed by Lloyd's, we have an Internal Dispute resolution process to assist. You should contact BankVic or the administrator handling your claim in the first instance – in most cases this will resolve your grievance. They will respond to your complaint within

15 business days provided they have all necessary information and have completed any investigation required. Where further information, assessment or investigation is required, they will agree to reasonable alternative timeframes with you. You will also be kept informed of the progress of your complaint.

If you are not satisfied with the response, and wish to proceed with your dispute or complaint, you should contact;

Lloyd's Australia Limited

Level 9, 1 O'Connell St, Sydney NSW 2000

Telephone: (02) 8298 0783

Facsimile: (02) 8298 0788

Email: ldraustralia@lloyds.com

Lloyd's Australia Ltd offer a no cost to you service. They will advise you on how to proceed with them in this matter. If they are unable to assist you, they will promptly advise you. Where your complaint is eligible for referral to the Financial Ombudsman Service Australia (FOSA), your complaint will generally be reviewed by a person at Lloyd's Australia with appropriate authority to deal with your dispute.

Where your complaint is not eligible for referral to FOSA, Lloyd's Australia will refer your complaint to the Lloyd's Complaints team in the UK if it falls within the jurisdiction of the UK Financial Ombudsman Service. They will review your complaint and liaise directly with you. For all other matters you will be advised of what other avenues may be available to you.

KEY POLICY DEFINITIONS

The following are some of the terms used in the Policy and are important for you to understand when being referred to in any documentation about the insurance. If you want to read the entire policy you may obtain a copy from the AEA-V.

"Accident" means a single unforeseen violent, external and visible event.

"At Work" means the person is actively and competently performing all the essential duties of his or her usual occupation without restriction, or is on approved leave, other than leave which is taken for reasons related to injury or illness, and he or she is physically capable of competently performing all the essential duties of his or her usual occupation without restriction.

"Automatic Acceptance Limit" means the maximum amount of benefit specified in the Schedule for which we do not require evidence of a person's state of health and who will not be subject to the Pre-existing health conditions exclusion.

“Benefit(s)” means a Total Disability Benefit, Partial Disability Benefit.

“Benefit Period” means the period as specified in the Schedule commencing on the first day that a Benefit begins to accrue and excludes the Waiting Period.

“Earned Income” means the actual average monthly gross of tax income earned by an Insured Person in the 12 months prior to the date of ceasing work due to Total Disability.

“Gainfully Employed” and **“Gainful Employment”** means engaged in activity that would normally be undertaken for gain or reward in any business, trade, profession, vocation, calling, occupation or employment.

“Illness” means a sickness or disease

“Injury” means bodily injury resulting from an Accident.

“Insured Income” means the lesser of:

- a. the earnings of the Insured Person calculated on the same basis as the income advised to us by the Policy Owner most recently at either the Commencement Date or Renewal Date; and
- b. the sum calculated in accordance with the Earned Income Definition.

“Insured Person” means a person who:

- i. is accepted by us in writing; or
- ii. meets the Eligibility criteria.

In every such case they must be a person:

- i. who is not older than the Benefit Ceasing Age; and
- ii. who is employed on a full time or permanent part time basis by the employer to work at least fifteen (15) hours per week; and
- iii. for whom you have paid, or agreed to pay a premium; and
- iv. for whom cover has commenced under the Commencement of Cover provisions.

“Medical Practitioner” means a medical practitioner legally qualified and registered to practice medicine in Australia and is a person other than the Insured Person, the Policy Owner, their relatives, business partners, shareholders or employees. Where the Medical Practitioner is outside Australia, the Medical Practitioner must hold qualifications which would allow them to practice medicine in Australia.

“Nuclear Radiation” means the use, existence or escape of nuclear weapons material or ionising radiation from or contamination by radioactivity from any nuclear fuel or nuclear waste or from the combustion of nuclear fuel, including any self-sustaining process of nuclear fission or fusion.

“Partial Disability” and **“Partially Disabled”** is where an Insured Person is Totally Disabled for at least fourteen (14) consecutive days and as a result of the same Illness or Injury, after the expiry of the Waiting Period he or she:

- a. cannot work full time or is unable to perform at least one (1) important income producing duty of his/her regular occupation or does not have the capacity to work at the same level he/she was working at prior to commencement of Total Disability;
- b. has returned to Gainful Employment and/or is capable of return to Gainful Employment that is approved by a Medical Practitioner; and
- c. suffers a partial loss of Earned Income; and
- d. is under the care and following the advice and treatment of a Medical Practitioner in relation to the cause of the Partial Disability.

“Schedule” means the schedule relating to this Policy most recently issued by us, as varied or endorsed by us from time to time.

“Terrorism” means an act of terrorism involving the use or release or the threat thereof of any nuclear weapon or device or chemical or biological agent. For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public, in fear. If We conclude that by reason of this exclusion any claim is not covered by this insurance the burden of proving the contrary shall be upon You and the Insured Person.

“Total Disability” and **“Totally Disabled”** means:

That due to suffering an Illness or Injury an Insured Person:

- i. is unable to perform at least one (1) important income producing duty of his or her regular occupation; and
- ii. is not working in any undertaking usually performed for wage or profit; and
- iii. is under the care and following the advice and treatment of a Medical Practitioner.

“Total Disability Benefit” means the sum calculated in accordance with the item in the Schedule labelled **“Total Disability Benefit”**.

“Waiting Period” means the period, as specified in the Schedule, commencing on the first day of Total Disability during which no Benefit is payable.

“we”, **“our”** and **“us”** means Lloyd’s of London.

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215 Spring Street, Melbourne 3000
Visit bankvic.com.au,
call 13 63 73 or
Fax 03 9268 9353

Product Disclosure Statement prepared and issued by Police Financial Services Ltd ABN 33 087 651 661 AFSL 240293 trading as BankVic for the Ambulance Employees Australia (Victoria) Income Protection Scheme. Insurance cover is provided by certain Underwriters at Lloyd's of London. 09.17 6484bv