

# Loanguard Insurance



**Cover for  
Personal Loan  
Repayments**

**...Smart Thinking!**

## Product Disclosure Statement

Prepared: 11 March 2004

Issuer: Citicorp Life Insurance Limited  
2 Park Street, Sydney NSW 2000  
ABN: 75 004 274 882  
AFSL: 238096

None of the obligations of Citicorp Life Insurance Limited are guaranteed by Citigroup Inc. (incorporated in the USA) or by Citibank Pty Limited ABN 88 004 325 080, or any other member of Citigroup.

The product is not a bank deposit or obligation of or guaranteed by Citibank, N.A., Citigroup Inc, or any of its affiliates or subsidiaries (other than Citicorp Life Insurance Limited).

A member of  citigroup

 **citi**insurance

## Contents

This document contains a Product Disclosure Statement (PDS) for Loanguard Insurance. You can find information relating to the policy on the pages listed. You should read the PDS carefully so you understand what this insurance policy covers and whether it will meet your needs.

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### Who is the Issuer?

The issuer of Loanguard Insurance policies is Citicorp Life Insurance Limited (Citilife). The contact details of the issuer are:

Citicorp Life Insurance Limited  
2 Park Street 2 Park Street  
Sydney NSW 2000  
ABN : 75004 274 882      AFSL : 238096

Citicorp Life is a wholly owned subsidiary of Citibank Pty Limited and part of the Citigroup Inc. (Citigroup) global financial services organisation.

Citigroup, has the largest distribution capacity of any financial services firm in the world; we serve 200 million customer accounts, including some 24 million Internet Relationships, in more than 100 countries. Citicorp Life became part of Citigroup in the 1970's changing to its current name in 1984.

Loanguard Insurance is a non-participating life insurance policy. It does not share in any of the profits of Citicorp Life Insurance or its statutory funds.

None of the obligations of Citicorp Life Insurance Limited are guaranteed by Citibank Pty Limited ABN 88 004 325 080, or by Citigroup Inc. (incorporated in the USA) or any of its affiliates or subsidiaries.

The invitation to apply for this policy is only made to people receiving this PDS in Australia. It is not made, directly or indirectly, to people in any other country.

This Product Disclosure Statement will help you to:

- decide whether this product will meet your needs; and
- compare this product with others you may be considering.

### **Optional Cover**

Your decision to include Loanguard Insurance in relation to your loan may simply be to provide you and your family with peace of mind. You are under no obligation to effect this optional insurance.

## **About Loanguard Insurance**

Loanguard Insurance makes it possible for you to borrow with confidence. Your peace of mind comes from knowing that your loan repayments will be met in the event of death, disablement or unemployment. Loanguard can be taken to cover a new or existing loan.

This optional form of loan protection can be taken to cover most loan types including lease and hire purchase finance arrangements. It can be individually tailored to meet your specific needs. For example, cover for death or disability can be purchased individually or as a package. Additionally, where the Disability Benefit is chosen, the Unemployment Benefit can also be selected.

## **What are the significant benefits?**

You have the flexibility to choose the type and amount of cover you require.

When you apply for Loanguard Insurance you may select any of the following options:

### **Death Benefit Option**

If you choose this option, we will pay out your loan in the event of your death.

### **Disability Benefit Option**

The Disability Benefit Option acts as a safety net as accidents and illnesses can occur without warning, leaving you unable to work and suffering a loss of income.

## Product Disclosure Statement

Should you select this option we will make your repayments (up to the maximum amount) for you if you are unable to work due to an accident or illness. If we believe that you will be unable to ever work again, we will pay an amount equal to the Death Benefit.

**Death Benefit** (Applicable only where the optional Death Benefit has not been included):

If while the policy is in force the insured dies by any cause, a death benefit will be payable equal to the lesser of \$500 or the outstanding loan balance at the time of death.

### SOME IMPORTANT BENEFIT LIMITS ON YOUR POLICY

<p><b>Death</b></p>	<p><b>Available Cover:</b> Optional Death cover for up to two insured borrowers.</p> <p><b>Claim Limitations:</b> Policy terminates after payment of a Death Benefit in respect of either insured borrower.</p>
<p><b>Temporary Disability</b></p>	<p><b>Available Cover:</b> Optional Disability cover includes a Temporary Disability Benefit.</p> <p><b>Claim Limitations:</b> No benefits payable for the first 30 days of disability. No limit on the number of claims but you may be entitled to a Total Disability Benefit after 6 consecutive months of disability.</p>
<p><b>Total Disability</b></p>	<p><b>Available Cover:</b> Optional Disability cover includes a Total Disability Benefit.</p> <p><b>Claim Limitation:</b> Policy terminates after payment of a Total Disability Benefit in respect of either insured borrower.</p>
<p><b>Unemployment</b></p>	<p><b>Available Cover:</b> This can be taken as an optional extension to Disability Cover for one insured borrower only, provided that person has attained the age of 18.</p> <p><b>Claim Limitation:</b> No benefits payable for the first 30 days of unemployment.</p>
<p><b>All benefits</b></p>	<p><b>Available Cover:</b> All benefits available for up to two insured borrowers. Where two borrowers apply, both must obtain cover for the same benefits. The exception is unemployment where cover is available for the one insured borrower only.</p>

### Unemployment Benefit Option

(Available for one insured borrower and only with the Disability Benefit Option)

This option is designed to provide temporary assistance with loan repayments while the insured Borrower seeks new employment.

Should you select this option, Loanguard will cover your repayments (up to a maximum amount) if the first insured Borrower becomes unemployed during the insurance term.

**Benefit Limit:** The balance outstanding on the credit transaction at the time of death (excluding any residual value, balloon payment or other lump sum final payment, early payout charges and arrears which have accrued prior to death) plus any interest charges that accrue on this amount to a maximum of 2 months.

**Benefit Limit:** 1/30th of the monthly installment or monthly rental on your credit transaction for each day of Temporary Disablement, to a maximum of \$1,500 per month.

The maximum Temporary Disablement benefit payable under all Loanguard policies in respect of one insured person is \$1,500 per month, irrespective of the number of policies in force and whether they relate to different credit transactions.

**Benefit Limit:** The balance outstanding on the credit transaction at the time of Total Disablement (excluding any residual value or balloon payment, early payout charges and arrears which have accrued prior to Total Disablement) plus any charges that accrue on this amount to a maximum of 2 months.

**Benefit Limit:** 1/30th of the monthly installment or monthly rental under your credit transaction for each day that you remain unemployed to a maximum of \$1500 per month, limited to a total of \$3500 or 6 monthly installments, whichever is lesser (irrespective of the number of claims).

**Benefit Limit:** The maximum cumulative benefit payable under any Loanguard policy is \$100,000. The maximum cumulative total of benefits payable in respect of one insured borrower under Loanguard shall not exceed \$100,000 regardless of the number of Loanguard policies issued and whether those policies relate to different credit transactions.

## Policy Exclusions and Limitations

There are some circumstances in which benefits will not be paid.

- (a) suicide (whether sane or insane) occurring within 13 months of the Commencement Date; or
- (b) illness occurring within 30 days of the Commencement Date; or
- (c) a Pre-existing Condition; or
- (d) any deliberate self inflicted Injury; or
- (e) the effects of or complications arising from pregnancy; or
- (f) flying except as a fare paying passenger on a licensed commercial or chartered airline; or
- (g) the influence of alcohol or drugs other than the proper use of drugs prescribed by a medical practitioner; or
- (h) AIDS or the HIV virus in any of their forms, or any disease, illness or injury associated with them; or
- (i) unemployment occurring outside the Commonwealth of Australia and its Territories,
- (j) unemployment due to cessation of work of a seasonal nature;
- (k) unemployment existing at the commencement of this policy.

In respect of the Temporary Disability Option only, a benefit will not be payable under the policy where the insured borrower is :

- (a) In receipt of any payments from their employer (including sick pay);
- (b) In receipt of workers compensation payments; or
- (c) Otherwise gainfully employed.

Payment of all benefits are subject to the Policy Terms and Conditions. The maximum amount payable under this policy is \$100,000.

## What are the significant risks?

The significant risks associated with holding a Loanguard Insurance policy which you should consider include:

- Your policy is not a savings plan, you will not get anything back if it is cancelled.
- Whether your policy will provide the cover you require.

Cover may not be adequate 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);
  - You do not comply with your duty of disclosure, so we do not pay your claim, pay only part of your claim, or cancel your policy; and
  - 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), so we can refuse to pay part or all of your claim;
- Our ability to pay claims when they are made; and
  - No claim is payable unless you can prove the extent or damage.

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

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## What is the cost of your Loanguard Insurance?

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All the current charges of Loanguard Insurance are described in this section. If we decide to alter the premium rates which apply to this insurance, we will give you at least three months written notice before your premium is affected.

The premium you need to pay will depend on your age, the amount of your loan and insurance term.

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## Premiums

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The premium for Loanguard is only payable once prior to the commencement of the insurance. It is calculated on the amount and type of cover you require and the term of your finance agreement.

You can attach a cheque for your full premium with your insurance application or you can choose to pay by credit card - simply fill out the Credit Card Authority on the Application form. Your premium can also be financed through your finance agreement. You or the lender can send us the premium.

## Product Disclosure Statement

### Premium table

The table below contains sample premium amounts for the key benefits under a Loanguard Insurance policy.

These premiums are indicative only and different premiums may apply to you depending on your individual circumstances. Your premiums are calculated on your outstanding loan balance. You may contact your adviser to obtain a premium estimate please contact your adviser or alternatively contact CitiInsurance Client Services on 1300 134 669.

### Example Premium Rates

Loan Amount: \$30,000					
Term (yrs)	Death, Disability & Unemployment	Disability & Unemployment	Death & Disability	Disability Only	Death Only
1	\$3,052.89	\$2,232.78	\$2,349.00	\$1,498.50	\$850.50
3	\$3,371.64	\$2,480.64	\$2,592.00	\$1,620.00	\$972.00
5	\$3,690.78	\$2,728.89	\$2,835.00	\$1,782.00	\$1,053.00
10	\$4,055.28	\$2,976.75	\$3,118.50	\$1,984.50	\$1,134.00

### Policy fees

There are no policy fees or any additional administrative costs, in addition to the premium payable.

### Commission

Some of your insurance premium (20%) is paid by Citicorp Life to your finance broker as commission and to cover the administration of the policy. This is not an additional fee that is paid by you.

### Taxation

Under most circumstances, lump sum payments under life insurance policies to individuals are not assessable for income tax purposes, and premiums are not tax deductible.

This information is based on our interpretation of the present laws. These laws may change and individual circumstances may differ. You should seek advice from a suitably qualified professional in relation to your particular circumstances.

GST does not apply to your Loanguard Insurance premiums. If Parliament alters the tax law, we reserve the right to increase premiums or charges to reflect any new or increased tax.

## Cooling-off period

If you feel that this policy does not meet your needs, you may cancel this insurance by written request within 19 days of the date of our confirmation letter confirming your insurance and the premium will be refunded in full. Where the premium has been financed by the lender the premium will be refunded to the lender.

## Other Important Information about your Insurance

### How benefits are paid

All benefits under this policy will be paid to your lender to be applied to the account of your credit transaction.

Payments of all benefits are subject to the Policy Terms and Conditions. The maximum amount payable under the policy is \$100,000. For other benefit limits you should refer to the Policy Terms and Conditions which are also included in this PDS.

### Joint Cover

Cover under this policy is available for up to two borrowers, except for the Unemployment Benefit Option which is available to the First Borrower only.

However if an event or a series of events occur which gives rise to a benefit in respect of both borrowers, then only one benefit will be paid, being the highest benefit applicable. Where a Death Benefit or Total Disability Benefit is paid in respect of either the First or Second Borrower the cover in respect of the other insured person will terminate.

### Eligibility

You are eligible to apply for Loanguard Insurance if you are between 16 and 59 years of age. You must work a minimum of 20 hours per week. Unemployment cover is available if you are 18 years of age or over.

### Worldwide Cover

If you choose the Death Benefit Option or the Disability Benefit Option, the policy covers you worldwide 24 hours a day, 365 days a year.

## Product Disclosure Statement

### **Documentation you will receive**

Once your application has been accepted by us and your initial premium has been paid in full, we will send you a letter confirming insurance cover.

You should read this letter in conjunction with the PDS including the Policy Term and Conditions (pages 12 to 19 of this PDS) to ensure you fully understand the extent of the cover and its limitations.

### **How can you obtain up to date information?**

The information contained in this document is up to date at the time of its preparation. However, some of the information can change from time to time. We will issue a supplementary or replacement Product Disclosure Statement if there is a materially adverse change to information in this document, or a materially adverse omission from this document.

For other changes, you can obtain up to date information at any time by calling us on **1300 134 669** or visiting our website at [www.citibank.com.au](http://www.citibank.com.au)

### **Claims and Claims Procedures**

Written notice of any intended claim must be forwarded to us as soon as possible after the happening of the event giving rise to the claim. A Claim form will be sent to you and no claim shall be payable unless the form has been properly completed.

If you make a claim under this policy we may conduct investigations to assess the value and validity of this claim. This may involve the use of investigation agents, legal advisers and personal data that CitilInsurance may collect.

You must co-operate with us in allowing us to obtain any certificates or evidence reasonably required by us as to any claim made under this policy and we will be entitled at our own expense to require the insured to undergo any such medical examinations conducted by a medical practitioner appointed by us as we deem necessary or to have a post mortem examination carried out.

### **Cancellation**

You may cancel your insurance at any time by giving notice in writing to us and providing the lender confirms that the insurance is no longer required. Such cancellation will be effective from the date we receive

confirmation from the lender. Upon cancellation, you or your lender will be entitled to a rebate of premium for the unexpired period of risk, calculated in accordance with the applicable laws.

Your insurance will be cancelled by us if the premium or any installment of premium has not been paid within 30 days of its due date

### **Complaints Resolution**

We have established a complaints resolution process. If you have any complaints concerning your Loanguard Insurance policy, please call us [1300 134 669](tel:1300134669). We will work with you to resolve your concerns. You may also wish to write to us.

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#### **Our address is:**

The Resolutions Manager  
Loanguard Insurance  
CitilInsurance  
GPO Box 4528  
Sydney NSW 2001

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If you are not satisfied with our response you can phone or write to the Financial Industry Complaints Service which will then investigate the matter.

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#### **The telephone number is:**

1300 780 808

#### **The address is:**

The Manager  
Financial Industry Complaints Service  
31 Queen Street  
Melbourne VIC 3000

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The Financial Industry Complaints Service is an independent and impartial body.

### **General information only**

This Product Disclosure Statement is for the general public and provides information of a general nature outlining the benefits and other conditions of the Loanguard Insurance policy.

## Product Disclosure Statement

The Policy Terms and Conditions contain the terms and conditions governing the product, including the benefits, definitions and exclusions. The Policy Terms and Conditions are set out at pages 12 to 19 of this PDS.

### Privacy Statement

This privacy statement explains the purposes of collection, the uses and disclosures of your personal information.

#### **1. Purposes of collection**

We will only collect personal information necessary for the product/service. The information we collect from you on the insurance application form and related attachments and which we acquire from you or other people during the course of managing your policy is required for us to process your application, assess the risk, issue the policy, assess claims, administer the policy and to deliver the benefits of the product to you and to us. We store information about you in databases which may be maintained outside Australia. With your consent, we may share information with other Citigroup companies so that they can advise you of other products, services and special offers that may be of interest or benefit to you.

#### **2. Organisations to whom information may be disclosed**

We may disclose your information on a confidential basis to unrelated organisations for the purposes set out opposite.

#### **3. Any law that requires the particular information to be collected**

We are required by law to collect certain information in order to provide life insurance, for example, under the Insurance Contracts Act. Financial information is also required under the Income Tax Assessment Act for some types of insurance.

#### **4. Main consequences of not providing the information.**

If we are unable to collect all the information requested in the insurance application process, or

requested during the currency of the policy, we may be unable to provide, or to continue to provide, the insurance or process a claim.

### Your Privacy Preferences

If you have not indicated that you wish to opt out of marketing communications, you authorise us to share information about you (including your dealings with us) for marketing purposes with other Citigroup companies. The nature of the products, services and offers which Citigroup companies may inform you about are as follows:

- Credit cards, personal loans, home loans, specialist banking services
- Insurance and investment products, including deposits, life insurance, superannuation and investment funds
- Charge card services
- Investment services, including share purchases, margin lending, financial planning

You may choose to opt out by including your preferences on the application form.

To:	For:
Mailhouses	Statement production and other mail related services
Administration Services	Data entry and data processing, account maintenance documentation and settlement
Market research	Product development, planning, risk assessment and modelling
Investigators, medical attendants, professional & financial advisors, other insurers and reinsurers	Assessing your application, underwriting and claims assessment
Insurance industry bodies	Claims matching and cross referencing
Organisations wishing to acquire an interest in any part of Citibank's business	Assessment of any proposed acquisition

## Policy Terms and Conditions

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### **How to Apply**

To apply for the Loanguard Insurance, you must complete the application form attached to this Product Disclosure Statement. Your application is subject to acceptance by us, and we may accept or decline your application, or accept on special conditions.

If we receive a payment from you before we issue a policy, we are required to hold it in a trust account on your behalf. We will retain any interest payable by our bank on this account to meet, among other things, bank fees and other administrative costs.

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## **Policy Terms and Conditions**

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The following Terms and Conditions set out the cover provided by CitilInsurance under Loanguard Insurance.

This insurance is designed to assist you with monies owing to the Lender on your Credit Transaction in the event of Death, Temporary or Total Disability or Unemployment.

Once you have applied for Loanguard Insurance you will be sent a Policy Document and Policy Schedule confirming your insurance cover. These documents also outline the type and level of cover we will be providing. You should read these documents in conjunction with the Terms and Conditions to make sure you fully understand the extent of your cover and any limitations.

Together these documents represent your insurance contract with CitilInsurance, so it is important to keep them in a safe place.

Subject to the cover you chose in your Application and these Policy Terms and Conditions, we will pay the benefits provided for under this Policy to the Lender to be applied to the account of your Credit Transaction.

### **Definitions**

For the purpose of this Policy the following Definitions apply unless the context otherwise dictates:

“you or your” refers to Borrower or Borrowers named in the application and who are covered under this policy.

“we, our, us or CitilInsurance” means Citicorp Life Insurance Limited ABN 75 004 274 882 AFSL 238096.

**“Accident”** means an event whereby bodily injury is caused solely and directly by external, violent and accidental means, is independent of any other cause and is not caused by their own hand.

**“Application”** means the application made by you pursuant to an application form attached to this PDS.

**“Borrower”** means either the First Borrower or the Second Borrower as the context requires.

**“Credit Transaction”** is the loan, lease, hire purchase or other form of financial accommodation provided by the Lender to you (as set out in your application).

**“Expiry Date”** means the expiry date of this policy being the number of years from the Commencement Date of your Application for this insurance, whichever is the later.

**“First Borrower”** means the person who is named as the First Borrower.

**“Illness”** means a disease or sickness first occurring 30 days after the commencement of this policy.

**“Indebtedness”** means all monies required to fully discharge the Credit Transaction at the time of the happening of the insured event [excluding any balloon payment, residual value or lump sum final payment (as shown in your application), and any early payout charges that may be due to the Lender] plus any interest charges that have accrued on that amount to a maximum of two months.

**“Injury”** means bodily injury resulting from an accident occurring after the commencement of this policy.

**“Lender”** means the Lending Institution referred to in your application.

**“Pre-existing Condition”** An illness or other condition relating to your health:

- (a) of which you were aware at any time before the date of your insurance application; or
- (b) for which a reasonable person in your circumstances should have been aware of at any time before the date of your insurance application; or
- (c) for which you have consulted a medical practitioner or other health care provider within 12 months immediately prior to the date of your insurance application.

## Policy Terms and Conditions

“**Temporary Disablement**” means disablement caused by Injury or Illness and as a result of which the insured Borrower is prevented from attending to their own occupation and provided the insured Borrower is not otherwise gainfully employed or in receipt of any payments from their employer (including sick pay) or workers compensation insurance.

“**Total Disablement**” means having been absent from employment for six consecutive months and as a direct result of Injury or Illness you are unable to earn income in any occupation, trade or profession for which you could reasonably be expected to be suited through education, training or experience and provided that we are satisfied that you will remain so indefinitely.

“**Unemployment**” means you are in receipt of unemployment benefits under the Social Security (Administration) Act 1999 as amended and issued by the Commonwealth Government Department responsible for the administration of the Act or, would have been entitled to receive such unemployment benefit if your spouse was not in receipt of an income.

Where a reference to “**you**” is made in respect of a claim or benefit, it is a reference to the insured borrower who is the subject of the claim in question, who has cover for that benefit or who has suffered from the insured event (as applicable).

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## Benefits

### **Death Benefit**

Upon your Death we will pay the amount of your Indebtedness to the Lender.

### **Disability Benefits**

Where cover for this benefit option is provided, we will pay 1/30th of your Monthly Installment to the Lender for each day of your Temporary Disablement. If you receive Temporary Disablement Benefits for a period in excess of six consecutive months, we may after consideration of medical evidence classify you as having suffered Total Disablement, at which time we will pay the amount of your Indebtedness to the Lender.

**Unemployment Benefits**

Where cover for this benefit option is provided, we will pay 1/30th of your Monthly Installment to the Lender for each day of your Unemployment. If you have previously received an Unemployment Benefit, a subsequent payment will only be made if you have been in continuous full time employment for a minimum period of 30 consecutive working days since payment of the previous Unemployment Benefit

**General Information****Policy Cover**

Providing you apply for Loanguard Insurance before or at the commencement of your Credit Transaction insurance cover will commence from the date of your Credit Transaction (as shown in your application). If you apply for Loanguard Insurance after the commencement of your Credit Transaction, insurance cover will commence from the date of acceptance of your application by CitilInsurance. Insurance cover is only available for those insured events that you have applied for on your application and which have been accepted by us. Insurance cover for Unemployment is only available for one insured borrower.

**Age Limitation**

Insurance cover in respect of the first and second insured borrower will cease upon their attaining the age of 65 respectively. Where this policy provides cover in respect of two insured borrowers, cover will continue with respect to the younger until that person attains the age of 65. No insurance will be effected with respect to a person who has already attained the age of 60. No Unemployment Benefits will be payable if the insured person has not attained the age of 18 years at the commencement of this policy.

**Two Insured Borrowers**

Benefits will be paid where an insured event occurs to any one of you. If an event(s) occurs which simultaneously gives rise to a benefit in respect of both of you, then only one benefit will be paid, that being the highest benefit. If you suffer both Temporary Disablement and Unemployment at the same time we will pay one benefit only, being the highest amount.

## Policy Terms and Conditions

### **Payment of Benefits**

All benefits will be payable to the Lender and will be applied to the account of your Credit Transaction. The receipt of the payment by the Lender will be a discharge to us with respect to all claims under this policy.

### **Payment of Premiums**

This is a single premium policy. Upon receipt of the "Total Policy Premium" shown in your application, you will have no further premium obligation in respect of this policy.

However, no cover will be provided under this policy and no benefits are payable unless the premium has been paid to us in full.

### **Limitation on Payment of Benefits**

No benefits shall be payable for the first 30 days of any period of Temporary Disablement or Unemployment. Benefits payable shall not be applied in the discharge of any indebtedness to the Lender by way of arrears in installments which accrue prior to the occurrence of the insured event, or to pay any interest on any overdue installments.

The maximum Temporary Disability Benefit payable under "Loanguard" policies is \$1,500 per month per insured borrower, irrespective of the number of policies in force and whether those policies relate to different credit transactions.

The maximum unemployment benefit in a 30 day period is \$1,500 per insured borrower. The maximum cumulative amount of benefits payable in respect of one insured borrower under "Loanguard" policies is \$3,500 in total or the equivalent of 6 Monthly Installments, whichever is the lesser amount, irrespective of the number of policies in force and whether those policies relate to different credit transactions.

The maximum cumulative amount of benefits payable under this policy is \$100,000. In addition, the cumulative total of benefits shall not exceed \$100,000 in respect of one insured borrower, irrespective of the number of policies in force and whether those policies relate to different credit transactions.

**Termination of Cover**

All insurance cover provided under this policy shall terminate on the happening of the first or any of the following events:

- (a) the date for the final payment referred to or implied in the Credit Transaction;
- (b) the expiry date of this policy as shown in your application;
- (c) the Death or Total Disablement of either insured borrower;
- (d) upon the Credit Transaction being discharged or terminated; or
- (e) written notice from you directing the insurance be cancelled.

**Unacceptable Risks**

Loanguard cannot be effected for finance contracts on vehicles of 4 tonnes or more or any goods with an individual market value or purchase price less than \$2000.

**Claims Procedure**

No benefits shall be payable under this policy unless;

- (a) you (or your legal personal representative) provide us with written notice within 90 days of the event giving rise to a claim;
- (b) you (or your legal personal representative) complete the standard claim form issued by us and produce at no cost to us such evidence to substantiate the claim to our satisfaction as we may reasonably require;
- (c) you undergo such medical examinations by a legally qualified medical practitioner appointed by us as we may require from time to time. The examination shall be at our expense;
- (d) you undergo any medical treatment recommended by a legally qualified medical practitioner and which it is reasonable for you to undergo;
- (e) you (or your legal personal representative) provides proof of age where required by us;
- (f) a post mortem examination is carried out if required by us. The examination shall be at our expense.

## Policy Terms and Conditions

### **Exclusions**

A benefit will not be payable under this policy where the event giving rise to the claim occurs as a result of:

- (a) suicide (whether sane or insane) occurring within 13 months of the Commencement Date; or
- (b) illness occurring within 30 days of the Commencement Date; or
- (c) a Pre-existing Condition; or
- (d) any deliberate self inflicted Injury; or
- (e) the effects of or complications arising from pregnancy; or
- (f) flying except as a fare paying passenger on a licensed commercial or chartered airline; or
- (g) the influence of alcohol or drugs other than the proper use of drugs prescribed by a medical practitioner; or
- (h) AIDS or the HIV virus in any of their forms, or any disease, illness or injury associated with them; or
- (i) unemployment occurring outside the Commonwealth of Australia and its Territories,
- (j) unemployment due to cessation of work of a seasonal nature;
- (k) unemployment existing at the commencement of this policy.

### **Temporary Disability Option**

In respect of the Temporary Disability Option only, a benefit will not be payable under the Policy where the insured Borrower is:

- (a) in receipt of any payments from their employer (including sick pay);
- (b) in receipt of workers compensation payments; or
- (c) otherwise gainfully employed

### **Proof of Indebtedness**

We shall be entitled to accept and act upon any statement in writing as to the amount of your Indebtedness to the Lender or your Monthly Installment, which has been signed for or on behalf of the Lender by a responsible officer.

### **Cancellation**

You may cancel this insurance at any time by giving us notice in writing. Such cancellation shall be effective immediately.

Upon cancellation you shall be entitled to a rebate of premium for the unexpired period of risk. This amount shall be calculated in accordance with applicable laws. Where no laws apply to the calculation of the rebate, the manner of calculation shall be determined by us.

**Disclosure of Information**

This policy is issued on the basis of the information disclosed to us in your application and declarations made by you. Loanguard Insurance is a non participating policy and is issued from our No.1 Statutory Fund.

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**Paying by Credit Card**

I authorise Citicorp Life to charge my premium to my:

Mastercard
  Visa Card
  Bankcard
  Diners
 Card Expiry Date  /  /

Cardholder's Name

Card Number  -  -

Cardholder's Signature  Date  /  /

**Statement of Insured Borrowers**

**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, 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.

Your duty however does not require disclosure of a matter that diminishes the risk to be undertaken by the insurer, that is of common knowledge; that your insurer knows or, in the ordinary course of 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 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. Please note that your Duty of Disclosure continues until a Policy has been issued.

**Application Declaration**

I declare that the information given in this Application Form is true and correct.  
 I am employed under a contract of employment working not less than 20 hours a week.  
 My decision to apply for this insurance is based on the material received and my understanding of it.  
 I understand that the insurance applied for will not become effective unless and until the Application is accepted by CitilInsurance.

*I understand that this policy does not cover pre-existing conditions of which I am or should be aware of or for which I have consulted a doctor or other health care provider in the 12 months prior to the commencement of this policy.*

**Privacy Declaration**

I have read and understood the privacy statements in this application form and agree to the collection, use and disclosure of personal information as described in those statements. Where I have provided information about any other individual, I will make that individual aware of the provisions of the privacy statements.

**Signature of the First Insured Borrower**

X

Date  /  /

**Signature of the Second Insured Borrower**

X

Date  /  /

**Agent Details**

AFS License Name:

AR\* Name:  ASIC - AR\* Number:

Direct Sales Representative Name:

ASIC - AR\* Number:  CitilInsurance No.

**Marketing Opt-Out**

CitilInsurance will keep you informed about other products, services and special offers that may be of interest to you. However, if you do not wish these other offers to be communicated to you please indicate below.

Do Not Mail:  Do Not Phone:

\*AR refers to Authorised Representative



For enquiries call

**1300 134 669**

(Monday to Friday 8.00am to 6.00pm EST)

[www.citibank.com.au](http://www.citibank.com.au)

Citicorp Life Insurance Limited

ABN: 75 004 274 882

AFSL: 238096

2 Park Street, Sydney NSW 2000

 **citi**insurance

Citibank Pty Limited ABN 88 004 325 080