

Life Insurance

Product Disclosure Statement (PDS)

Issue date: 22nd January 2025

Please keep this document in a safe place for future reference

Welcome to Direct Cover

This Product Disclosure Statement (PDS) is designed to help **you** understand the main considerations that **you** need to know when deciding whether to purchase a Direct Cover Life Insurance policy and determining if it is right for **you**. It sets out the key features, benefits, terms, conditions, risks and exclusions of the **policy**. It also includes information about **premium** payments, the complaints process and how to make a claim.

Direct Cover Life Insurance is designed to assist with outstanding financial commitments that **you** may still have in the event of **your** death or diagnosis of a **terminal illness**; however, the **benefit amount** is paid as a lump sum and so it can be used for any purpose.

You can only insure **your** own life under Direct Cover Life Insurance. This means **you** cannot purchase Direct Cover Life Insurance to insure the life of another person.

If **you** decide to purchase a Direct Cover Life Insurance **policy**, **you** will be issued with a **policy schedule** showing the details of **your** cover. **Your policy schedule** and this PDS make up **your** contract of insurance. It is important that **you** read all the information carefully so that **you** understand what **you** are buying, and then keep these documents in a safe place for future reference.

The information in this PDS is current as at the issue date. From time to time, **we** may update information in this PDS that is not materially adverse to **you** and notice of these updates will be made available on the Direct Cover website at www.directcover.com.au. **You** can contact **us** to ask for a free copy

of any updated information. If necessary, **we** will issue a supplementary or replacement PDS.

Please note that any information or advice given in this PDS is only general in nature and it does not consider **your** objectives, financial situation or needs. It is important that **you** make **your** own decisions on whether this product is suitable for **you** by considering **your** individual objectives, financial situation, or needs, and if **you** are unsure, please consider seeking appropriate independent financial advice.

This **policy** has no surrender value. This means **you** cannot access any value on cancellation of the **policy** other than a **premium** refund payable under the terms of this PDS.

About Direct Cover

Your policy is issued and managed by Direct Cover as agent of the insurer Hallmark Life Insurance Company Ltd (**Hallmark Life**)

ABN 87 008 446 884, AFSL 243469, who underwrites the Direct Cover products. Direct Cover is a trading name of Neilson Financial Services Pty Ltd (Neilson) ABN 52 668 314 896, an insurance intermediary that holds an Australian Financial Services Licence 552284.

Who is the Insurer

Your policy is underwritten by **Hallmark Life**, an APRA-authorised insurer that holds an Australian Financial Services Licence. **Hallmark Life** is the insurer of Direct Cover Life Insurance and the issuer of this PDS. **Your** contract of insurance is with the insurer.

Hallmark Life receives insurance **premiums** and pays claims from its Statutory Fund Number 1.

You can contact **Hallmark Life** on:

Phone: 1800 800 230 Monday to Friday, 8:30am to 5:00pm (AEST)

Email: customerservice@hallmarkinsurance.com.au

Mail: PO Box 7395, CLOISTERS SQUARE WA 6850

Life Insurance Code of Practice

Hallmark Life subscribes to the Life Insurance Code of Practice (the “Code”). **You** can access the Code on the Council of Australian Life Insurer’s website at www.cali.org.au/life-code.

Our compliance with the Code is monitored and enforced by an independent body called the Life Code Compliance Committee, and **you** can find more information at the website above.

We and Direct Cover are committed to complying with the Code to ensure **you** receive a high standard of customer service throughout **your** relationship with **us**. The Code aims to protect life insurance customers and sets out the life insurance industry’s key commitments and obligations to **you** on standards of practice, disclosure and principles of conduct for life insurance services, such as being open, fair and honest. It also sets out timeframes to respond to claims, complaints and requests for information. **You** can find details on the Code at www.directcover.com.au.

The language we use in this document

Some words or expressions used in this document have a special meaning. They will appear in bold font, and their meaning is explained in Section 11 *Glossary*. ‘**We**’, ‘**us**’ or ‘**our**’ means **Hallmark Life** and, where applicable, Direct Cover in its capacity as agent of the insurer. References to ‘**you**’ and ‘**your**’ means the person listed on the **policy schedule** as the **policy owner** (and is also the person insured under this **policy**).

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1. Eligibility

You are eligible to apply for Direct Cover Life Insurance as long as **you** are:

- an **Australian Resident**; and
- aged between 18 and 70 years old.

You will need to answer health and lifestyle questions as part of the application process.

2. What is Covered

We will pay the **benefit amount** specified in **your policy schedule** as a lump sum payment if **you**:

- die; or
- are diagnosed with a **terminal illness**.

3. Minimum and Maximum Benefit Amounts

The minimum and maximum **benefit amounts** **you** can apply for are outlined below.

Age at policy commencement date	Minimum benefit amount	Maximum benefit amount
Age 18 – 45	\$100,000	\$1,500,000
Age 46 – 55	\$100,000	\$1,000,000
Age 56 – 60	\$100,000	\$600,000
Age 61 – 65	\$100,000	\$300,000
Age 66 – 70	\$100,000	\$200,000

If **you** wish to apply to increase **your benefit amount** after the **policy** commencement date, then the maximum **benefit amount** allowed when **you** apply will be based on **your** age at the date of **your** application to increase. See Section 6 *Changing Your Policy Details* for further information.

4. What is Not Covered?

We will not pay the **benefit amount** if **you** die, or are diagnosed with a **terminal illness**:

- that is caused by an intentional self-inflicted injury or attempted suicide, and that intentional self-inflicted injury or attempted suicide occurred before the **policy** commencement date or during the first 13 months from the:
 - **policy** commencement date; or
 - date **we** reinstate **your policy** after the **policy** cancellation date (see Section 7 *Cancellation by Us*), if that reinstatement occurs more than three months after the cancellation date.
- where there is an agreed special term on **your policy** that specifically excludes an event or condition leading to the claim. Before **your policy** and/or increased cover for a **benefit amount** is issued, any special terms added to **your policy** will be agreed with **you** and they will appear on **your policy schedule**.

If **you** increase **your benefit amount** (see Section 6 *Changing Your Policy Details*), **we** will not pay the amount of the increase if **you** die, or are diagnosed with a **terminal illness**, that is caused by an intentional self-inflicted injury or attempted suicide, and that intentional self-inflicted injury or attempted suicide occurred during the first 13 months from the commencement date of the increased **benefit amount**. We will only pay the **benefit amount** in place prior to the increase plus the **Automatic Benefit Amount Increase** that would have applied to that **benefit amount**.

Example 1: Death due to an intentional self-inflicted injury

You bought a Direct Cover Life Insurance **policy**, and 6 months later, **you** died due to an intentional self-inflicted injury that occurred on the day of **your** death. Since **your** death was a result of an intentional self-inflicted injury that occurred within the first 13 months from the **policy** commencement date, **we** will not pay the **benefit amount**.

*Example 2: Death due to an intentional self-inflicted injury after increasing **your benefit amount***

You bought a Direct Cover Life Insurance **policy** with a **benefit amount** of \$100,000, and 6 months later **you** increased the **benefit amount** to \$150,000. **Your policy** is subject to the **Automatic Benefit Amount Increase** feature (and **you** have not opted out of this feature). 15 months after **you** purchased the **policy you** died due to an intentional self-inflicted injury that occurred on the day of **your** death. Since **your** death was a result of an intentional self-inflicted injury that occurred within 13 months of **you** increasing **your benefit amount** (but more than 13 months after the commencement of **your policy**), we will only pay **your** beneficiaries \$103,000 (that is, **your** original **benefit amount** plus the **Automatic Benefit Amount Increase** of 3% of **your** original **benefit amount** applicable on the first anniversary of **your policy**).

*Example 3: A **terminal illness** due to an intentional self-inflicted injury*

You bought a Direct Cover Life Insurance **policy**, and 15 months later, **you** were diagnosed with a **terminal illness** due to an intentional self-inflicted injury that occurred 5 months after **your policy** commencement date. 2 months after the diagnosis **you** die. Since the **terminal illness** diagnosis, and the resulting death, was due to an intentional self-inflicted injury that occurred within the first 13 months from the **policy** commencement date, **we** will not pay the **benefit amount**.

5. Cover Start and End Dates

Cover under **your policy** starts on the **policy** commencement date, as specified in **your policy schedule**, and will end on the earlier of the following:

- the date of **your** death;
- the date **we** pay the **benefit amount** for a **terminal illness** claim;
- the date **you** cancel the **policy**; or
- the date **we** cancel **your policy** (including if **we** cancel **your policy** because of unpaid **premiums** (see Section 7 *Cancellation*)).

No amount will be paid for any events that occur before the **policy** commencement date or after the date cover ends.

If applicable, once **we** are notified of **your** death, **we** will refund any **premium(s)** collected after the date of **your** death.

6. General Conditions and Important Information About Your Policy

Automatic Benefit Amount Increase

Your policy provides an optional **Automatic Benefit Amount Increase** feature which allows for **your benefit amount** to increase on each **policy anniversary** date by 3% of the original **benefit amount** that **you** selected at **your policy** commencement date. This feature is automatically applied to **your policy** unless **you** choose to opt out.

In the event **you** have changed **your benefit amount** (for example, reducing or increasing cover) prior to the next **policy anniversary**, the **Automatic Benefit Amount Increase** will be applied to **your** chosen **benefit amount**.

*Example 1: No changes to **benefit amount** since **policy** commencement date*

You bought a Direct Cover Life Insurance **policy** with a **benefit amount** of \$500,000. On the first **policy anniversary**, the **Automatic Benefit Amount Increase** feature of 3% is applied to the original **benefit amount** (being \$500,000), increasing the total **benefit amount** to \$515,000.

On the second **policy anniversary**, the same **Automatic Benefit Amount Increase** feature is again applied by increasing the **benefit amount** by 3% of the original **benefit amount** (being \$500,000), which increases the **benefit amount** to \$530,000.

As **you** haven't made changes to **your benefit amount** since the **policy** commencement date, and **you** haven't opted out of the **Automatic Benefit Amount Increase** feature, the **Automatic Benefit Amount Increase** will continue to apply by increasing **your benefit amount** on each **policy anniversary** by 3% of the original **benefit amount** (being \$500,000).

*Example 2: Changes to **benefit amount** since **policy** commencement date*

You bought a Direct Cover Life Insurance **policy** with a **benefit amount** of \$800,000. On the first **policy anniversary**, the **Automatic Benefit Amount Increase** feature of 3% is applied to the original **benefit amount** (being \$800,000), increasing the total **benefit amount** to \$824,000.

Before the second **policy anniversary**, **you** reduce **your benefit amount** to \$600,000. On the second **policy anniversary**, the **Automatic Benefit Amount Increase** feature of 3% is applied to the latest **benefit amount** **you** have chosen (being \$600,000), increasing the total **benefit amount** to \$618,000.

Unless **you** change **your benefit amount** again or opt-out of the **Automatic Benefit Amount Increase** feature, the **Automatic Benefit Amount Increase** will continue to apply by increasing **your benefit amount** on each **policy anniversary** by 3% of **your** most recently chosen **benefit amount** (being \$600,000).

The 3% increase is not subject to further health and lifestyle questions and is applied automatically on **your policy anniversary** each year. This feature is not subject to the maximum **benefit amount** described at Section 3 *Minimum and Maximum Benefit Amounts* and will continue even when the maximum **benefit amount** is met or exceeded. If the **Automatic Benefit Amount Increase** feature causes **your benefit amount** to exceed the maximum **benefit amount**, **you** will no longer be able to apply to increase **your benefit amount**.

Each year and at least 30 days before **your policy anniversary**, **you** will be sent a new **policy schedule** which will notify **you** of **your** new **benefit amount** and **your** new **premium**. If **you** wish to accept the **Automatic Benefit Amount Increase**, **you** will not need to do anything. If **you** wish to opt out of this feature, **you** can contact **us** to let **us** know and **we** will send **you** an updated **policy schedule**.

Once **you** choose to opt out, **we** will not apply the **Automatic Benefit Amount Increase** again unless **you** choose to opt back in. **You** can contact **us** at any time to reapply the **Automatic Benefit Amount Increase** feature.

Premium Payments

Your premium amount, i.e. the cost of **your policy**, is calculated based on the following factors:

- the **benefit amount** (the higher the **benefit amount**, the higher the **premium**);
- **your** age at the commencement date or **policy anniversary** (the older **your** age at that date, the higher the **premium**);
- **your** gender (if **you** are a male, **your premium** will be higher than for a female of the same age);
- **your** smoker status (if **you** are a smoker, **your premium** will be higher than for a non-smoker); and
- **your** answers to the health and lifestyle questions as part of **your** application for cover (the higher the risk, the higher the **premium** loadings may apply)

The amount of **premium** payable will be stated in **your policy schedule**.

Your premium may include allowances for current government charges and taxes including stamp duty.

Your premium can be paid fortnightly or monthly and will be collected from **your** nominated bank account by direct debit (and the Direct Debit Service Agreement attached to this PDS will apply) or payment card (credit or debit).

Your premium must be paid in Australian dollars.

Your premium type is a ‘variable age-stepped **premium**’, which means each year on the **policy anniversary**, the **premium** is recalculated to reflect **your benefit amount** and age.

Please note that **your premium** will generally increase each year as **you** get older. Additionally, it will generally increase each year to reflect the **Automatic Benefit Amount Increase** (unless **you** have opted-out of that feature) and may also increase if **you** make changes to **your policy** (see Section 6 *Changing Your Policy Details* for more information).

The amount of **premium** payable will be stated in **your policy schedule** which will be sent to **you** at the time **you** purchase **your policy** and at least 30 days before each **policy anniversary**.

Premium Rate Changes

Premium rates are not guaranteed. **We** may increase or decrease the **premium** rates applying to **your policy**, but only if **we** change the **premium** rates that apply to a group of customers. **We** will not single **you** out. For example, **we** may change **premium** rates due to unexpected increases in **our** claims cost, inflation, or changes in the economic environment. **We** will send written notice of any change to **you** at least 30 days prior to the change.

Non-Payment of Premiums

To ensure **your policy** continues, **you** must pay **your premium** when it is due. As soon as a **premium** payment is missed, **we** will attempt to contact **you** to discuss **your** payment arrangements and may also reattempt collection of **your premium** from **your** nominated bank account or payment card (credit or debit). Non-payment of **premium** may result in the cancellation of **your policy** (see Section 7 *Cancellation* for more information).

If **you** are experiencing financial hardship, please contact **us** to discuss options available to **you**.

Confirmation of Transactions

You can receive confirmation of any transaction made under **your policy** upon request by calling Direct Cover on 1800 577 321 or email care@directcover.com.au. Alternatively, if **you** would like to receive confirmations without making a request, please call Direct Cover and tell **us** this.

Changing Your Policy Details

You can request the following changes to **your policy**:

- updates to **your** personal details (e.g. name, contact number, address or payment details) – it is important **you** inform **us** if these change;
- a reduction to **your benefit amount**, subject to the minimum and maximum **benefit amounts** (see Section 3 *Minimum and Maximum Benefit Amounts*);
- if **you** are under the age of 70 (inclusive), an increase to **your benefit amount**, subject to the minimum and maximum **benefit amounts** (see Section 3 *Minimum and Maximum Benefit Amounts*);
- opt-out or opt back in to the **Automatic Benefit Amount Increase** feature; or
- to change **your** status from a smoker to a non-smoker, for the purpose of calculating **your premium**. To make this change, **you** will be required to complete a smoking declaration.

Any change must be agreed to by **us**.

As part of any application to increase **your benefit amount**, **you** will need to answer health and lifestyle questions. Any agreed increase to **your benefit amount** may be subject to the payment of an additional **premium** based on **your** age, gender, smoker status, and **your** responses to the health and lifestyle questions at the time of the request, and **your premium** will be adjusted accordingly.

If **we** agree to **your** changes, **you** will receive confirmation of these changes, including a new **policy schedule**, if applicable.

If **your** change results in a reduction to the **benefit amount**, the **premium** will be adjusted accordingly.

If **you** wish to make any changes, please call 1800 577 321 or email care@directcover.com.au and **we** will discuss the change with **you**.

Multiple Policies

The maximum **benefit amount we** will pay is the maximum **benefit amount you** could have applied for based on **your** age when **you** first applied for a Direct Cover Life Insurance **policy**, together with the **Automatic Benefit Amount Increases(s)** that would have applied to that **benefit amount**. If **you** are covered under more than one Direct Cover Life Insurance **policy** issued by **us**, the total lump sum payment provided on death or **terminal illness** under all **policies** combined will be limited to that maximum **benefit amount**.

If a reduction to **your benefit amount** is necessary due to the maximum limit being exceeded, the reduction will be applied to the **policy** or **policies** most recently commenced and the same proportion of associated **premiums** paid will be refunded.

Nominating Your Beneficiary

You can nominate **beneficiary/ies** to receive the **benefit amount** upon **your** death. To nominate **your beneficiary/ies**, or to update or change **your beneficiary/ies** nomination, **you** can call 1800 577 321 or email care@directcover.com.au to inform **us**.

Insurance Risks to Consider

When deciding whether this Direct Cover Life Insurance **policy** is suitable for **you**, **you** should consider all the **policy** details and be aware of the following risks:

- This is an insurance **policy**, not a savings or investment plan, which means if **your policy** is cancelled after the 30-day Cooling Off Period, **you** will not receive anything back.
- If **you** become unable to pay **your premium** payments, then **your policy** may be cancelled (see Section 7 *Cancellation* for more information), and **you** will not receive anything back.
- **Your** chosen **benefit amount** may not cover all **your** outstanding financial commitments and expenses upon **your** death, or the costs associated with a **terminal illness**. **You** will need to carefully consider **your** level of cover to ensure it suits **your** objectives, financial situation, and needs.
- The value of the **benefit amount** may not keep up with inflation and as such, the value of **your** cover may reduce over time.
- Terms, conditions, limitations and exclusions apply to **your policy** and they may have an impact to **your** entitlement to benefits under **your policy**.
- If **you** are looking to replace an existing insurance policy, **you** should not cancel any existing cover until **your** Direct Cover Life Insurance application is accepted and **you** have reviewed and understood **your policy**. There are general risks of replacing an existing insurance policy including the loss of any accrued benefits, the possibility of waiting periods starting again, implications of any errors or omissions in **your** new application (for example, if **you** make a misrepresentation when answering health and lifestyle questions, this could result in **your** claim being declined or **your policy** being

treated as never having existed) and differences in price and product terms and conditions.

Your Duty to Take Reasonable Care Not to Make a Misrepresentation

When applying for insurance, **you** have a legal duty under the Insurance Contracts Act 1984 to take reasonable care not to make a misrepresentation to the insurer before the contract of insurance is entered into (**your** duty).

A misrepresentation may include a false answer, an answer that is only partially true, or an answer which does not fairly reflect the truth.

Your duty also applies before **you** extend or vary an existing contract of insurance or reinstate a contract of insurance.

Before **you** enter into a contract of insurance or do any of these things, **we** will ask **you** questions and will use the answers in deciding whether to insure **you** and on what terms and for what **premium**. To ensure **you** meet **your** duty, **you** must answer **our** questions truthfully, accurately and completely.

If your duty is not met

In exercising **our** rights, **we** may consider whether **your** cover is constituted by separate contracts of life insurance and apply **our** rights separately to each type of cover.

If **you** fail to meet **your** duty, and **we** would not have insured **you** if **you** had answered **our** questions truthfully, accurately and completely, **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 by using a formula that takes into account the **premium** that would have been payable if **you** had met **your** duty. If the contract 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 which may reduce **our** liability under the contract in respect of a claim. This right does not apply if the contract provides cover on death.

If **you** fail to comply with **your** duty and the failure was fraudulent, **we** may refuse to pay a claim and treat **your policy** as never having existed.

Before **we** exercise any of these rights, **we** will explain **our** reasons, how **you** can respond or provide further information, and also what **you** can do if **you** disagree.

If you need help

It's important that **you** understand this information and the questions **we** ask. Ask **us** for help if **you** have difficulty understanding the process of applying for life insurance or answering **our** questions.

If **you** are having difficulty due to a disability, language, or for any other reason, please let **us** know – **we** are here to help and can provide additional support.

Taxation

Generally, **your premium** is not tax deductible, and no tax is payable on the amounts paid under **your policy**.

You should consider seeking professional tax advice on **your** own situation.

7. Cancellation

Cooling Off Period

You have 30 days from the **policy** commencement date to make sure **you** are happy with **your policy** and decide whether **you** want to keep it (this is called the 'Cooling Off Period'). If **you** want to cancel **your policy** within this period, please contact Direct Cover:

Phone: 1800 577 321

Email: care@directcover.com.au

Mail: Direct Cover, PO BOX R985,
Royal Exchange NSW 1225, Australia

After **we** receive **your** cancellation request during the 30-day Cooling Off Period, **your policy** will be cancelled, and **you** will be sent a letter confirming the cancellation. Any **premium you** may have paid will be refunded, subject to no valid claim being made.

Cancellation by You

You can cancel **your policy** at any time either in writing or by calling Direct Cover as follows:

Phone: 1800 577 321

Email: care@directcover.com.au

Mail: Direct Cover, PO BOX R985,
Royal Exchange NSW 1225, Australia

If **you** cancel **your policy** after the 30-day Cooling Off Period, **your policy** will be cancelled from the date that **your policy** is paid to, and **you** will not receive any refund of **premium**. If **you** decide to cancel **your policy**, **you** will not be able to apply to reinstate **your** cover.

Cancellation by Us

If a **premium** payment remains unpaid for more than 30 days from the date it was due, **your policy** will be cancelled. Prior to cancelling **your policy**, **we** will notify **you** in writing of **our** intention to cancel **your policy** due to non-payment of **premiums** and provide **you** with details of the overdue payment(s) and the timeframe in which **you** must rectify those overdue payment(s) before **your policy** is cancelled. If **your policy** is cancelled, **your** cover under the **policy** will cease and no amount will be payable for any event that occurs after the date of cancellation.

If **your policy** is cancelled by **us** due to non-payment of **premiums**, **you** can apply to reinstate the **policy** by contacting **us** within twelve months from the **policy** cancellation date and:

- If **you** apply within three months of the **policy** cancellation date then, provided that **you** pay any **premiums you owe us**, **we** will reinstate **your policy**.
- If **you** apply more than three months (but within twelve months) of the **policy** cancellation date, then **you** will be required to complete a Declaration of Continued Good Health and whether **we** agree to reinstate **your policy** will be subject to **your** answers to that declaration. Any agreed reinstatement is subject to the payment of all outstanding **premium**. Additionally, the exclusions under Section 4 *What is Not Covered* will apply if **your policy** is reinstated more than three months after the **policy** cancellation date.

If **your policy** is cancelled for any other reason other than non-payment of **premiums we** will not accept **your** reinstatement request.

Also refer to ‘*Your Duty to Take Reasonable Care Not to Make a Misrepresentation*’ (see Section 6 *General Conditions and Important information About Your Policy*) and ‘*Fraudulent claims*’ (see Section 8 *How to Make a Claim*) for details of other circumstances when **we** have a right to cancel **your policy**.

8. How to Make a Claim

Unless it is impractical to do so, claims should be made as soon as possible after the death occurs or upon diagnosis of a **terminal illness**. If **you, your beneficiary/ies** or the legal personal representative of **your** estate wish to make a claim under this **policy**, please contact **us**:

Phone: 1800 531 572

Email: claims@directcover.com.au

Mail: Claims, Direct Cover, PO Box R985,
Royal Exchange NSW 1225, Australia

Once notice of a claim is received, **we** will send a claim form to be completed, signed and returned. Where **we** reasonably require information about **your** death or **terminal illness** claim, **we** may also require **your** treating **medical practitioner** or **medical specialist** to complete a claim form. **We** may require a certified death certificate and/or medical report from the treating **medical practitioner** or **medical specialist** confirming death or **terminal illness** (though a report confirming diagnosis of **terminal illness** must be provided by a **medical specialist**). The cost of the certified certificate and/or report to support a claim is generally at the expense of the claimant. Depending on who is making the claim, **we** may ask for identification and/or confirmation that **you** are authorised to make the claim. If **you** experience any difficulty in obtaining the supporting documents, please let **us** know so **we** can help **you** find a solution.

We may require further information or documentary evidence to assess a claim, at **our** expense. This may include reports from **your** treating **medical practitioner** or **medical specialist**, access to **your** medical records, and/or any other information needed to confirm that the insured event has occurred. If any information or documentation that would reasonably be required to assess the claim is not provided, **we** will not be able to process the claim until the information or documentation is made available.

Payment of Claims

If a claim is accepted, **we** will pay the **benefit amount** to **you** (in the case of a **terminal illness** claim), or to **your beneficiary/ies** (in the case of a death claim). If no **beneficiary/ies** are nominated or none are living on **your** death, the **benefit amount** will be paid to **your** estate or the legal personal representative of **your** estate, whichever is appropriate.

Where **we** make a payment to a **beneficiary/ies**, **we** may ask for identification to confirm **we** are paying a benefit to the correct **beneficiary/ies**.

If **you** nominate multiple **beneficiary/ies** and a **beneficiary** dies before **you**, their nomination to receive the **benefit amount** will end and their share will be proportionally distributed to the remaining **beneficiary/ies**.

Claims will be paid in Australian dollars.

Fraudulent Claims

If **you** make a fraudulent claim under **your policy** or another **policy you** have with **us**, then **we** can choose to cancel **your policy**.

9. Complaints

Internal Dispute Resolution

We hope that **you** never have reason to complain, but if **you** do, **we** and Direct Cover will do **our** best to work with **you** to resolve it quickly and fairly. Should **you** wish to make a complaint, please contact Direct Cover who will manage the complaint with **you**.

Phone: 1800 577 321

Email: complaints@directcover.com.au

Mail: Complaints, Direct Cover, PO Box R985,
Royal Exchange NSW 1225, Australia

Complaints are normally resolved within 30 days, however, if **your** complaint remains unresolved after this time **you** will be informed of the reasons for the delay and when to expect an outcome.

External Dispute Resolution

If **your** complaint remains unresolved after 30 days of the date it is received or it is not resolved to **your** satisfaction, **you** can refer **your** complaint to the Australian Financial Complaints Authority (AFCA). AFCA is a free, fair and independent dispute resolution scheme and **you** can refer **your** complaint to them at any time during the complaint process.

You can contact AFCA at:

Phone: 1800 931 678

Mail: Australian Financial Complaints Authority,
GPO Box 3, Melbourne VIC 3001

Email: info@afca.org.au

Web: www.afca.org.au

Time limits may apply to complaints to AFCA. **You** may wish to consult the AFCA website or contact AFCA directly to find out if there is a time limit on lodging a complaint with AFCA.

10. Privacy and Data Protection

Your privacy is important. In this Privacy Notice a reference to ‘**us**’ or ‘**we**’ is a reference to the following entities either collectively or individually as applicable in context – Direct Cover and **Hallmark Life**.

We will collect and handle **your** personal information in accordance with the information outlined in this section, **our** Privacy Policy, Direct Cover’s Privacy Policy and as may be permitted by law.

We collect **your** personal information:

- to fulfil and administer **your policy**, including customer service and claims handling;
- for marketing messages to tell **you** about relevant products and services or offers that may be of interest to **you**;
- contacting **you**, and to respond to any communications **you** may have sent to **us**;
- when **we** have a legal duty to or to comply with **our** legal obligations;
- in the absence of any of the above, when **you** consent to it.

Without certain personal information **we** may not be able to provide **our** services to **you**.

We may use and share **your** personal information with service suppliers and financial institutions who **we** partner with, and these could include organisations or people outside of Australia. Details of the locations of these recipients are set out in more detail in **our** Privacy Policy (see links below). **We** may also share **your** personal information with dispute resolution providers,

law enforcement and regulatory bodies, to fulfil a legal or regulatory obligation, assist with an investigation, or demonstrate compliance.

You may request access or correction of the information **we** hold about **you**. **We** will provide **you** with access to **your** personal information that **we** hold within a reasonable time frame (except in circumstances where access may be denied under other applicable law).

For full information on privacy, please read **our** Privacy Policy on **our** website at www.standrews.com.au/privacy/. **You** are also able to view Direct Cover's Privacy Policy at www.directcover.com.au/privacy-policy.

You can contact **us** if **you** have any privacy related questions, requests, comments or complaints:

Phone: 1800 577 321

Email: care@directcover.com.au

Mail: Direct Cover, PO BOX R985,
Royal Exchange NSW 1225, Australia

If **you** have concerns about how any privacy issue has been handled, **you** may contact the Office of the Australian Information Commissioner (www.oaic.gov.au).

11. Glossary

In this document, some words appear in bold font, for example, **policy**. These words have special meanings as explained below.

Australian Resident	means an Australian citizen, New Zealand citizen or Australian permanent resident who is currently residing in Australia.
Automatic Benefit Amount Increase	means the automatic increase of your benefit amount on each policy anniversary by 3% of your most recently chosen benefit amount .
Beneficiary/ies	means the natural person/s nominated by you to receive the benefit amount when you die.
Benefit Amount	means the amount payable for an event covered by this policy . The benefit amount is shown in the policy schedule .
Direct Debit Request	means the written, verbal or online request between us and you to debit funds from your account.
Hallmark Life	means Hallmark Life Insurance Company Ltd. ABN 87 008 446 884, AFSL 243469.
Life Insured	means the person that we have agreed in writing to insure under this policy and is shown in the policy schedule .
Medical Practitioner	means a medical practitioner who is legally qualified and registered as a medical practitioner . If practising other than in Australia, the medical practitioner must have qualifications equivalent to Australian standards. The medical practitioner must not be you , your spouse, partner, relative or business associate.

Medical Specialist	<p>A medical specialist is a medical practitioner who is a specialist in the area of medicine related to the relevant illness.</p> <p>The medical specialist must not be you, your spouse, partner, relative or business associate.</p>
Policy	<p>means the legal contract between you and us. The Product Disclosure Statement and the policy schedule make up the policy.</p>
Policy Anniversary	<p>means each annual anniversary of the commencement date of your policy.</p>
Policy Owner	<p>means the owner of this policy, who is also the life insured.</p>
Policy Schedule	<p>means the schedule to this policy, or any replacement schedule to this policy, issued by us and showing the details of the coverage provided to you by this policy.</p>
Premium	<p>means the amount of money you pay on a fortnightly or monthly basis for the insurance coverage under this policy.</p>
Terminal Illness	<p>means an illness diagnosed by a medical specialist which the medical specialist certifies, after taking into account what they consider to be all reasonably available treatment, is expected to lead to death within 12 months or less.</p>
We, us, our	<p>means Hallmark Life and, where applicable, Direct Cover in its capacity as agent of the insurer.</p>
You, your	<p>means the person listed on the policy schedule as the policy owner and who is also the person insured under this policy.</p>

Direct Debit Service Agreement

This is your Direct Debit Service Agreement with Hallmark Life Insurance Company Ltd (User ID 668621) ABN 87 008 446 884 (the Debit User). It explains what your obligations are when undertaking a Direct Debit arrangement with us. It also details what our obligations are to you as your Direct Debit provider.

This agreement sets out the terms on which you have authorised us under the Direct Debit Request to arrange for payments to be debited for the purpose of paying the premium on your Direct Cover policy.

We agree to be bound by this agreement when we receive your Direct Debit Request complete with the particulars we need to draw down an amount under it. Please ensure that you keep a copy of this agreement as it sets out certain rights you have against us and certain obligations you have to us in giving your Direct Debit Request.

Definitions

account means the account held at your financial institution from which we are authorised to arrange for funds to be debited.

agreement means this Direct Debit Service Agreement between you and us.

banking day means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

debit day means the day that payment by you to us is due. Debit payment means a particular transaction where a debit is made.

Direct Debit Request means the written, verbal or online request between us and you to debit funds from your account.

us or **we** means Hallmark Life Insurance Company Ltd. ABN 87 008 446 884 AFSL 243469 (the Debit User) you have authorised by requesting a Direct Debit Request.

you means the customer who has authorised the Direct Debit Request.

your financial institution means the financial institution at which you hold the account you have authorised us to debit.

Debiting your Account

Direct debits will be debited from your account for payment of the premium as specified in your policy schedule. We will not issue individual payment notices prior to debiting your account. If the debit day falls on a day that is not

a banking day (e.g. a weekend), the payment will be made on the next business day. If you are unsure as to when a debit payment will be processed, you should make enquiries directly with your financial institution.

Your obligations

You should ensure that you have sufficient cleared funds available, by the premium due date, in the account to be debited in accordance with the Direct Debit Request. If a debit payment is returned unpaid you may be charged a fee and/or interest by the financial institution for each returned item. You must arrange for the outstanding payment to be made by another method or arrange for enough funds to be in your account to enable us to draw the outstanding amount at the next scheduled debit date.

Changes by you

You may change, cancel, vary, defer or suspend the Direct Debit Request by giving us at least 7 business days' notice before the next Debit Day by contacting us on:

Phone: 1800 577 321, or

Email: care@directcover.com.au

You may also cancel a Direct Debit Request by contacting your financial institution.

Changes by us

We may vary any details of this agreement or a direct debit request at any time by giving you at least 30 days written notice.

Debiting accounts

Direct debit payment is not available on the full range of accounts at all financial institutions. Please ensure that your financial institution allows direct debits on your nominated account before completing your Direct Debit Request. You should check with your financial institution if you have any queries on how to complete your Direct Debit Request before completing the Direct Debit Request and that the account details that you provide to us are correct by checking them against a recent account statement.

Dispute

If you believe that there has been an error in debiting your account, you should notify us directly on 1800 577 321 or care@directcover.com.au. Alternatively, you can contact your financial institution for assistance.

If we conclude as a result of our investigations that your account has been incorrectly debited, we will respond to your query by arranging within a reasonable period with your financial institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your account has been adjusted.

If we conclude as a result of our investigations that your account has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding in writing.

Confidentiality

We will keep information about your financial institution account details and records confidential. We will make reasonable efforts to keep any such information that we have secure, and to ensure that any of our employees or agents who have access to such information 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,
- if you consent to disclosure of such information, or
- for the purpose of this agreement (including disclosing information in connection with any query or claim).

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intentionally left blank

1800 577 321

Monday to Friday, excluding NSW public holidays.

 care@directcover.com.au

 Direct Cover, PO Box R985,
Royal Exchange NSW 1225, Australia

Customers with Disabilities

This document and other associated documentation are also available in other formats. If you require an alternative format, please contact Direct Cover.