

Guaranteed Future Insurability Application Form for Income Protection Plan

Information sheet

When to use this form

Use this form to increase your income protection insurance cover with Guaranteed Future Insurability under your Firstcare – Lifetime Protection plan.

When to use this form

When you apply for insurance

When you apply for insurance, the insurer conducts a process called underwriting. It's how we decide whether we can cover you, and if so on what terms and at what cost.

We will ask questions we need to know the answers to. These will be about your personal circumstances, such as your health and medical history, occupation, income, lifestyle, pastimes, and current and past insurance. The information you give us in response to our questions is vital to our decision.

The Duty to Take Reasonable Care Not to Make a Misrepresentation

! Read this if you are applying for insurance as the policy owner, if you will be an insured person under a policy owned by someone else, or if you will be an insured person under a superannuation plan.

Your legal duty

When you apply for insurance and up until your application is accepted by the insurer, there is a legal Duty to Take Reasonable Care Not to Make a Misrepresentation to the insurer.

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

You have the same duty if anything changes, or you remember more information, while we're processing your application.

If you want to change your insurance cover at any time, extend it or reinstate it, you'll also have the same Duty to Take Reasonable Care Not to Make a Misrepresentation to the insurer at that time.

You are responsible for all answers given, even if someone assists you with your application.

We may later investigate the answers given in your application, including at the time of a claim.

Where a **policy** owned by one person covers the life of another person, it's important that the other person does not make a misrepresentation when providing information to the insurer. If the other person does make a misrepresentation, then it may be treated as a failure by the owner of the **policy** in their Duty to Take Reasonable Care Not to Make a Misrepresentation. Therefore, you must take reasonable care not to make a misrepresentation when giving us information whether you're the owner of the **policy** or an **insured person** under it.

If you do not meet your legal duty

If you do not meet your Duty to Take Reasonable Care Not to Make a Misrepresentation, this can have serious impacts on your insurance. Your cover could be avoided (treated as if it never existed), or its terms may be changed. This may also result in a claim being declined or a benefit being reduced.

Please note that there may be circumstances where we later investigate whether the information given to us was true. For example, we may do this when a claim is made.

If there is a failure to comply with the Duty to Take Reasonable Care Not to Make a Misrepresentation, there are different remedies that may be available to the insurer. These are set out in the *Insurance Contracts Act 1984* (Cth). These are intended to put the insurer in the position it would have been in if the duty had been met. Therefore, if the person who answers our questions does not take reasonable care not to make a misrepresentation, it can have serious consequences for your insurance, such as those explained below:

- we may **treat the contract (or your cover) as if it never existed**.

- we may **reduce the amount you've been insured for** – to reflect the premium you've been paying. There is a link between the premium you pay and your level of cover. If you fail to tell us something, your premiums may have been too low. The insurer may reduce the amount you've been insured for, taking into account the premium you would have had to pay if you'd told us everything you should have. For Death cover the insurer can only reduce the amount you've been insured for within three years of your cover starting.
- we may **vary your cover** – to take into account the information you didn't tell us and put the insurer in the same position as it would've been if you'd told us. Variations could mean, for example, that waiting periods, exclusions or premiums may be different. The insurer can't make variations to Death cover.

Your total insurance cover forms one insurance contract. If you don't meet your legal duty, the insurer may treat your different types of cover as separate contracts when it takes action to address this.

Whether the insurer can exercise one of these remedies depends on a number of factors, including:

- whether the person who answered our questions took reasonable care not to make a misrepresentation. This depends on all of the relevant circumstances. This includes how clear and specific our questions were and how clear the information we provided on the duty was;
- what the insurer would have done if the duty had been met – for example, whether the insurer would have offered cover, and if so, on what terms;
- whether the misrepresentation was fraudulent; and
- in some cases, how long it has been since the cover started.

Before we exercise any of these remedies, we will let you know our reasons and the information we rely on and give you an opportunity to provide an explanation.

If we decide to exercise one of these remedies, we will advise you of our decision and the process to have this reviewed or make a complaint if you disagree with our decision.

Guidance for answering our questions

When answering our questions, please:

- Think carefully about each question before you answer. If you are unsure of the meaning of any question, please ask us before you respond.
- Answer every question that we ask you.
- Do not assume that we will contact your doctor for any medical information.
- Answer truthfully, accurately and completely. If you are unsure about whether you should include information, please include it or check with us.
- Review your application carefully. If someone else helped prepare your application (for example, your adviser), please check every answer (and make corrections if needed) before the application is submitted.

Changes before your cover starts

Before your cover starts, we may ask about any changes that mean you would now answer our questions differently. As any changes might require further assessment or investigation, it could save time if you let us know about any changes when they happen.

After your cover starts

If, after the cover starts, you think you may not have met your duty, please contact us immediately.

Guaranteed Future Insurability at a glance—your questions answered

Have you got enough insurance?

Ensuring you have enough income protection insurance is important—but actually making changes to your insurance can feel like a hassle.

That's why the **Guaranteed Future Insurability** feature in your Firstcare – Lifetime Protection Income Protection plan has made it easy to increase your level of cover when your income increases.

How much can I increase the cover?

You can increase your cover once every 12 months. The maximum monthly benefit can be increased by up to 10% (to a maximum of \$1,500 across all Resolution Life income protection plans).

You cannot increase the maximum monthly benefit above the maximum insured percentage or above \$30,000.

Up to what age can I use this feature?

Up to age 55.

Are there any other restrictions on using this feature?

Yes, you won't be able to increase the maximum monthly benefit under this feature if, at the time of your application:

- you are unable to provide proof of income to support the requested increase to the maximum monthly benefit,
- for the relevant insured, your Income Protection Plan has:
 - more than one exclusion, or
 - a premium loading of more than 50%, or
 - an exclusion and a premium loading, or
 - any other 'special terms', or
- the insured is currently entitled to make, or is currently on claim under any income protection plan issued by us.

How much will the additional insurance cost?

The cost of your insurance is based on your type and level of cover, age, sex, occupation and smoking status. For a quote on how much your new level of cover will be, talk to your financial adviser.

Premiums will be based on the premium rates applicable at the time of exercising this feature.

What do I need to do to apply for the increase?

- Complete the Firstcare – Lifetime Protection **Guaranteed Future Insurability application form for Income Protection plan,**

AND

- Provide proof of the increase in income.

Note: To prove that an increase in income has occurred we require two forms of evidence:

- proof of current income, and
- proof of previous income.

Additional financial evidence may be required if the current monthly benefit is greater than \$15,000 across all income protection plans.

Need more information?

Everyone has different financial needs. To find the best solution, you may need professional financial advice.

Talk to your financial adviser or call Resolution Life Customer Service on 1800 879 078.

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Please keep this information sheet for your records—
don't return it with your completed form(s).

Guaranteed Future Insurability Application Form for Income Protection Plan

Use this form to increase your income protection insurance with Guaranteed Future Insurability under your Firstcare – Lifetime Protection plan.

Please print in CAPITAL LETTERS and place a cross in any applicable boxes.

1. Insured person's details

Request ID (if applicable)

Title Account/Plan number

Surname

Given name(s)

Gender Male Female Date of birth

Registered address

Suburb State Postcode

Phone number Mobile number

Email

2. Amount of cover

! You can only increase by up to the lower of 10% of the current monthly benefit on your plan or \$1,500 per month across all Resolution Life income protection plans.

You cannot increase the maximum monthly benefit above the maximum insured percentage or above \$30,000.

Additional financial evidence may be required if your current monthly benefit is greater than \$15,000 across all Resolution Life income protection plans.

Please indicate the amount of income protection cover you currently have and the level you would like to increase your cover to. Please ensure you attach proof of the increase in income.

2. Amount of cover (continued)

Note: To prove that an increase in income has occurred we require two forms of evidence:

- proof of current income, and
- proof of previous income.

Current amount of cover \$ per month

Increase cover to \$ per month

3. Premium details

Please provide details of your existing and new premium.

Existing premium \$

New premium (after increase) \$

4. Employment and income details

a. Are you self-employed?

- No —go to question 4b.
- Yes—please indicate (below) your share of the business income/expenses for the last financial year for which tax returns, assessment notices and accounts are available.

Tax year ending	<input type="text" value="30 / 06 /"/>
+ Gross income	\$ <input type="text"/>
- Expenses incurred	\$ <input type="text"/>
= Net profit or loss before tax	\$ <input type="text"/>
+ Add salary, wages, director's fees, super ¹	\$ <input type="text"/>
= Your total income	\$ <input type="text"/>

4. Employment and income details (continued)

b. Are you employed with no ownership interest in your employer's business?

- No—go to section 5.
- Yes—please answer the following questions:

What is your base annual salary this financial year (including salary packaged items but excluding compulsory government super contributions)?

\$

Did you receive any of the following in the past 12 months? If so, please specify amounts.

Commissions \$

Bonuses \$

Regular overtime \$

¹ Don't include super in this section if you have the superannuation contribution option on your existing plan.

5. Agreement and declaration

I/We agree and declare that:

- I have read 'The Duty to Take Reasonable Care Not to Make a Misrepresentation' contained in the Information sheet. I have kept this in mind when completing this application.
- To the best of my knowledge, information and belief, the information provided in this application is accurate and complete. I understand that if I do not comply with The Duty to Take Reasonable Care Not to Make a Misrepresentation and if information provided is not complete or accurate, the insurance might be cancelled or the terms may be altered by Resolution Life.
- I acknowledge that any special conditions, loadings or exclusions on my superannuation or insurance plan will continue to apply.
- I authorise any employer or any insurer to disclose, and for Resolution Life to collect, full details of my work, insurance or pastime history. I understand that, under Government Privacy legislation, I may access a copy of this information from Resolution Life.
- The relevant insured is not eligible to make a claim (nor currently on claim) under any income protection plan issued by us.
- If the premiums on my plan are currently paid via a direct debit arrangement, I authorise Resolution Life to deduct the new premium amount.
- I understand that premiums in relation to this increase will be based on the relevant insured's age and the premium rates that apply at the time the application is processed.

5. Agreement and declaration (continued)

Insured person

Name

Signature

Date of birth

Plan owner 1 (if different to the insured)

Name

Signature

Date of birth

Plan owner 2 (if applicable)

Name

Signature

Date of birth

6. Checklist

- Have you read and understood the enclosed **Information sheet**?
- Have you completed all relevant sections of this form?
- Have you provided proof of an increase in income?
- Have you signed and dated the form where indicated in section 5?

Where to send this form

Mail or email the completed form to:

Resolution Life Customer Service
GPO Box 5441
Sydney NSW 2001

Any questions?
1800 879 078

askus@resolutionlife.com.au