

INCOME PROTECT INSURANCE

Our unique range of flexible insurance products
pay you cash, so you can recover at your own pace.

RECOVER COVER



Combined Product Disclosure Statement,
Policy Document and Financial Services Guide
25 March 2023

INCOME PROTECT INSURANCE

Cover that helps take care of the bills so you can recover.

We understand if you can't make it to work because of an illness or injury – you might struggle to make the bills or the mortgage repayments.

That's where **Income Protect Insurance** comes in, to help cover living expenses and keep you afloat while you're recovering.



WHAT MAKES INCOME PROTECT INSURANCE UNCOMMON?



FLEXIBLE

We pay you cash when your claim is approved, giving you the flexibility to use it to recover your way.



FAST

We pay most claims in under 5 days (once we get all the info we need) to help with your recovery.



EASY

No complex medical checks or underwriting when you take out cover, just talk to our friendly member care consultants.



UNIQUE

Our products are designed to help fill the gaps not covered by traditional health insurance products, to help you recover.



WHO CAN APPLY?

Apply if you're a Permanent Resident of Australia aged 18-60, cover expires at 65.



WHAT DOES INCOME PROTECT INSURANCE PAY FOR?

Up to 70% of your average monthly income* (up to \$7,500 per month), for up to 12 months if you're unable to work due to illness or injury^ for more than 30 days.



INCOME PROTECT INSURANCE COMBINED PRODUCT DISCLOSURE STATEMENT AND POLICY DOCUMENT

ABOUT THIS DOCUMENT

This document contains important information that You should know about Income Protect Insurance. This information is designed to help You decide whether this product is right for You.

If We issue You with an Income Protect Insurance policy, You will receive a copy of this Combined Product Disclosure Statement and Policy Document, along with Your Policy Schedule. Together, these documents form Your Policy and should be kept in a safe place.

Throughout this document, some words and expressions have a special meaning. These words begin with a capital letter, and their meanings can be found in the Glossary section of this document.

WHO CAN APPLY

You can apply for Income Protect Insurance if You:

- are aged between 18 and 60; and
- are a Permanent Resident of Australia; and
- have been employed by the same employer, or have been in the same occupation, for the 12 months immediately prior to the Cover Commencement Date; and
- are working at least 21 hours per week; and
- are earning at least \$2,000 pre-tax per month.

Certain occupations are not eligible for cover under Income Protect. For a full list of excluded occupations, please see hcf.com.au/lifeinfo or call Us on **13 13 34**.

WHAT'S COVERED

If You are Totally Disabled while Your Policy is Active, and subject to the terms of this Policy, We will pay You the Monthly Benefit, which is the lesser of:

- 70% of Your Pre-Disability Earnings, less any offsets; or
- Your Level of Cover, less any offsets.

This Monthly Benefit will not exceed \$7,500, excluding any increases due to inflation indexation.

The total number of months that We will pay a benefit over the duration of this Policy will not exceed 12 months. This means that each time We pay You a benefit under this Policy, it will reduce this 12 month period accordingly. Once benefits have been paid for 12 months (in total for 1 or more Total Disabilities), Your Policy will end.

For eligible claims, the period where benefits are payable commences 30 days after the date of Total Disability, unless it's a Recurrent Disability.

If You have a Recurrent Disability, We will recommence payment of Your Monthly Benefit without restarting the 30 day Waiting Period.

Benefits are paid monthly in arrears.

COVER OUTSIDE AUSTRALIA

You are covered for Sickness or Injury that happens overseas and results in You being Totally Disabled when You return to Australia, but We will not pay any benefits for loss of earnings from any occupation You have outside Australia.

OFFSETS

Your Monthly Benefit will be reduced by any offset amounts. Offset amounts are any amounts payable to You, while You are Totally Disabled, from any of the following sources:

- a current or former employer, business or partnership;
- a superannuation, pension or retirement plan;
- another income replacement policy insuring against disablement, injury, disease or sickness;
- any form of compensation or damages for the Sickness or Injury suffered, including workers compensation, accident compensation or social security payments;
- any pension or other payment from a government authority.

Where any of the amounts mentioned above are paid as lump sums, they will be converted to monthly income equivalents calculated upon the advice of Our actuary.

For any Total Disability, including where offsets apply, the period for which benefits are payable is for a maximum of 12 months. This period will commence 30 days after the date of Total Disability.

Whilst the Monthly Benefit is 100% offset, no benefits are payable under this policy at that time. If the Monthly Benefit is 100% offset for the full 12 month period, no benefit will be payable under this Policy for that particular Total Disability.

WHAT'S NOT COVERED

No benefit is payable to You if You are Totally Disabled as a result of:

- intentional self-injury, or attempted suicide;
- normal and uncomplicated:
 - pregnancy (includes any condition related to pregnancy that does not require hospitalisation prior to delivery);
 - participation in infertility or contraceptive procedures;
 - miscarriage; or
 - childbirth;
- You engaging in Professional Sport or committing any illegal activity;
- drug or alcohol abuse, use or intoxication, other than the use of prescribed drugs taken in accordance with the directions of a registered medical practitioner;
- an act of war, whether declared or not, hostilities, civil commotion, terrorism or insurrection;
- a Sickness which first became evident within 60 days from the Cover Commencement Date, or a recurrence of the same or a related Sickness; or
- a Pre-existing Condition that existed within 5 years immediately prior to the Cover Commencement Date.

HOW A PRE-EXISTING CONDITION WORKS



If You have a Pre-existing Condition which means any condition, illness or ailment where the signs, symptoms or treatment of which, in the opinion of a registered medical practitioner, existed within 5 years immediately prior to the Cover Commencement Date, even if a diagnosis had not been made...

Any claim as a result of the Pre-existing Condition **will not be covered** by the Policy due to the Pre-existing Condition policy exclusion as you were not continuously free of the condition in the 5 years prior to the Cover Commencement Date.



EXAMPLES OF HOW A PRE-EXISTING CONDITION WORKS

APPROVED EXAMPLE

Susan suffered from sciatica. She received treatment and fully recovered and in the opinion of a doctor had no ongoing signs or symptoms in the 5 years before taking out cover. Susan subsequently suffered a recurrence of sciatica 2 years after her Cover Commencement Date which caused her to be Totally Disabled and unable to work for several months.

Susan submitted a claim which was approved as she was continuously free of the condition in the 5 years prior to her Cover Commencement Date and all other policy conditions were met.

DECLINED EXAMPLE

James suffered from sciatica. He continued to have symptoms or was receiving treatment, in the opinion of a doctor, in the 5 years before taking out cover. James subsequently suffered another recurrence of sciatica 7 years after his Cover Commencement Date which caused him to be Totally Disabled and unable to work for several months.

James submitted a claim which was declined due to the Pre-existing Condition policy exclusion as he was not continuously free of the condition in the 5 years prior to his Cover Commencement Date.

DECLINED EXAMPLE

Amy suffered from sciatica, in the opinion of a doctor, in the 5 years before taking out cover. Amy subsequently suffered another recurrence of sciatica 4 years after her Cover Commencement Date which caused her to be Totally Disabled and unable to work for several months.

Amy submitted a claim which was declined due to the Pre-existing Condition policy exclusion as she was not continuously free of the condition in the 5 years prior to her Cover Commencement Date.

DECLINED EXAMPLE

Henry suffered from sciatica 3 years after his Cover Commencement Date which caused him to be Totally Disabled and unable to work for several months. In the opinion of a doctor, Henry suffered signs or symptoms of a medical condition in the 5 years before taking out cover which contributed to the sciatica.

Henry submitted a claim which was declined due to the Pre-existing Condition policy exclusion as he was not continuously free of the condition in the 5 years prior to his Cover Commencement Date.

These examples are to demonstrate how a Pre-existing Condition works and the impact a Pre-existing Condition can have on a claim. They do not cover all possible scenarios.

PREMIUMS

You must pay premiums on or before the due date to keep Your Policy Active. Premiums are payable in advance and You can choose the frequency.

The premium payable under Your Policy, as applicable at the Cover Commencement Date, is shown on Your Policy Schedule. The premium includes stamp duty payable by Us where applicable and includes a policy fee. The policy fee may be increased every year in line with the Consumer Price Index (CPI).

We may change the premium of Your Policy at any time, provided such change applies to all policyholders under this series of Income Protect Insurance. We will write to You about any changes and they will come into effect on the date specified in the notice of change, which will be at least 30 days after the date of sending the notice of change to You.

HOW PREMIUMS ARE CALCULATED

Your premium is based on a range of factors, including Your age, sex, occupation, weight to height ratio, smoking status and the Level of Cover You select.

Your premium may increase with your age, on your Policy anniversary date. We will advise You of Your new premium at least 30 days before these changes apply.

Non-Smoker Rates

Where premiums are charged at Non-Smoker rates, this is subject to Your continued abstinence from smoking any substance. We reserve the right to ask for further evidence of Your eligibility for these rates from time to time. To qualify for Non-Smoker rates, You must not have smoked tobacco or any other substance in the 12 months prior to the due date of Your next premium.

Inflation Indexing

We may offer to increase Your Level of Cover in line with CPI on each anniversary of the Cover Commencement Date, prior to Your 60th birthday. If You accept the increase to Your Level of Cover, Your premium will be increased accordingly.

You can decline the indexation increases We offer, but if You do so on 2 consecutive occasions, We will not offer again.

Generally, premiums are tax deductible and benefits form part of your taxable income. This is a general statement based on present laws and their interpretation. Individual circumstances may vary and You should consult a professional tax adviser.

Premiums received are paid into Our No. 1 Statutory Fund, and all benefits are paid out of this fund.

CHANGES TO YOUR POLICY

You can contact Us on **13 13 34** to request changes to Your Policy, including increasing or decreasing your Level of Cover. You can apply to increase Your Level of Cover up to the age of 60.

We may require you to confirm any changes in writing. Any changes to Your Level of Cover will impact the Premiums you pay.

WHEN YOUR COVER ENDS

Insurance under Your Policy will end when any of the following occurs:

- Your death;
- You turn 65;
- You do not pay Your premiums, by the date stipulated by Us in Our written notice of cancellation to You following the non-payment of premiums for 3 months after the date to which premiums have been paid;
- You have been paid the Monthly Benefit for a total of 12 months; or
- You make a written request to cancel Your Policy, on the date We receive Your written request.

We will not cancel Your Policy in response to any change in Your risk, except in the case where We're entitled to do so because of a breach of Your duty to take reasonable care to not make a misrepresentation.

We will not cancel Your Policy in response to any change in Your occupation or deterioration in Your health, except in the case where We are entitled to do so because of a breach of Your duty to take reasonable care to not make a misrepresentation.

REINSTATING YOUR POLICY

If We have cancelled Your Policy due to non-payment of premiums, We will send You a written notice of cancellation. You can request to reinstate your Policy by calling us on **13 13 34** within 30 days of the date stated on the written notice of cancellation. Within that 30 days, We must receive all outstanding premiums before Your Policy can be reinstated.

COOLING OFF PERIOD

From the date You receive Your Policy documents from Us, You have 30 days to check whether the Policy meets Your needs. Within this time, You may cancel Your Policy by calling Us on **13 13 34** and receive a full refund of any money paid provided You have not made a claim.

HOW TO MAKE A CLAIM

We will require written proof from You to substantiate Your claim. To submit satisfactory written proof to Us:

- complete and return an Income Protect Insurance claim form as soon as possible after your 30 day Waiting Period (You can get a copy of this form by calling Us on **13 13 34** or emailing Us at lifecclaims@hcf.com.au);
- You will need to pay any costs related to completing the Income Protect Insurance claim form;
- if required, You will need to have a medical examination on Our behalf and at Our expense;
- You must provide satisfactory proof of Your age and income;
- You must supply any other documents or evidence We may require in order to assess Your claim; and
- You must seek medical advice from a legally qualified medical practitioner as soon as possible after an Injury occurs and their advice must be followed.

RISKS

It is important to understand the associated risks of purchasing a life insurance policy. Things You may wish to consider include:

- determining whether this Policy suits Your needs;
- if You are replacing an existing policy, consider the terms and conditions of this Policy and your existing policy before making a decision;
- this Policy does not have a surrender value, which means no money is payable to You unless We have approved a claim under this Policy.

It is also important to understand that if You become unemployed or take unpaid leave for 12 months or more prior to becoming Totally Disabled, no benefits would be payable to You. So, if Your income ceases for an extended period, You should consider whether this Policy is right for you.



GLOSSARY

Where the below terms appear throughout this document, they hold the meanings stated in the table below.

TERM	MEANING
Active	means the period of time between the Cover Commencement Date and the date Your Policy ceases in accordance with section 'When Your Cover Ends'.
Cover Commencement Date	means the date shown on Your Policy Schedule.
CPI	means the All Groups Consumer Price Index for Australian capital cities, published by the Australian Bureau of Statistics for the 12 months to 30 September. For indexation increases, We apply the CPI for the 12 months to 30 September in the previous year, but will not apply an increase greater than 10%. If there is any suspension or discontinuance of the All Groups Consumer Price Index We will use another appropriate published index chosen by Our actuary.
Doctor	means a registered medical practitioner other than You, one of Your family members, or Your business partner, employee or employer.
HCF	means The Hospitals Contribution Fund of Australia.
Injury	means physical damage to the body.
Insured Person	means the Insured Person named on Your Policy Schedule.
Level of Cover	means the amount shown in Your Policy Schedule, as increased by CPI.
Monthly Benefit	means the lesser of: <ul style="list-style-type: none"> 70% of Your Pre-Disability Earnings less any offsets; or Your Level of Cover less any offsets.
Parental Leave	means a pre-determined period of leave from Your usual occupation that is approved by Your employer for the purpose of taking care of a new child.
Permanent Resident of Australia	means a permanent resident or Australian citizen as defined under the <i>Australian Citizenship Act 2007 (Cth)</i> including any amendment, replacement, re-enactment or successor legislation.
Policy	means this Combined Product Disclosure Statement and Policy Document, together with Your Policy Schedule.
Pre-Disability Earnings	means Your average Monthly Earnings during the 12 months immediately prior to becoming Totally Disabled. Monthly Earnings means the amount You earn before tax each month from Your usual occupation in Australia, less any expenses incurred in deriving that income. It does not include investment income. If You suffer a Recurrent Disability, We will also apply CPI adjustments to Your Pre-Disability Earnings calculation and this can never be less than Pre-Disability Earnings.

TERM	MEANING
Pre-existing Condition	means any condition, illness or ailment where the signs, symptoms or treatment of which, in the opinion of a registered medical practitioner, existed within 5 years immediately prior to the Cover Commencement Date, even if a diagnosis had not been made.
Professional Sport	means a sport for which You were either participating in competition or training under the guidance of a professional coach, and for that sport, You had received, or expected to receive, \$5,000 or more in remuneration during the competition season or calendar year, whichever applies, in which the Impairment occurred. Remuneration includes the following: <ul style="list-style-type: none"> match payments regular income (the player is paid a fixed annual salary to play for the club) match bonuses.
Recurrent Disability	means a successive period of Total Disability while Your Policy is Active, which is due to the original or a related cause, and not separated by return to active full-time employment for 6 months or more, will be considered a continuation of the same Total Disability. If this occurs, We will recommence payment of Your Monthly Benefit without applying the Waiting Period. We will also apply CPI adjustments to Your Pre-Disability Earnings calculation and this can never be less than Pre-Disability Earnings.
Sickness	means an illness or disease.
Totally Disabled/ Total Disability	means, as a result of Sickness or Injury, You: <ul style="list-style-type: none"> are unable to perform the essential duties of Your usual occupation; and are not engaged in any occupation; and are under the regular care and attendance of a Doctor.
Waiting Period	means the 30 day period from the date of Total Disability during which You must continue to be Totally Disabled, and during which no benefits are payable. If You are Totally Disabled as a result of complicated: (1) pregnancy; (2) miscarriage; (3) childbirth; or (4) participation in infertility or contraceptive procedures, then the 30 day waiting period commences from the date Your Parental Leave or other applicable employer leave ends, during which You must continue to be Totally Disabled, and during which no benefits are payable.
We/Our/Us/HCF Life	means HCF Life Insurance Company Pty Limited.
You/Your	means the Insured Person.

OTHER THINGS YOU NEED TO KNOW

YOUR COVER IS PROVIDED BY HCF LIFE

Income Protect Insurance is issued by HCF Life Insurance Company Pty Limited (HCF Life), a subsidiary of The Hospital Contributions Fund of Australia Limited (HCF) and will not have a surrender value at any time. HCF is a not-for-profit health fund that has been looking after Australians since 1932. HCF and HCF Life are each responsible for the entire contents of this Combined Product Disclosure Statement, Policy Document and Financial Services Guide. In addition to these documents, You should also read the Target Market Determination (TMD) for this product, which is available at hcf.com.au/lifeinfo

CHANGES TO YOUR POLICY

The information in this Combined Product Disclosure Statement, Policy Document and Financial Services Guide is current as at the date of issue. From time to time, We may change the terms of Your Policy or update information in this document. If there is a significant or materially adverse change or update, We will write to You about any changes or updates before they come into effect. Changes or updates that are not materially adverse are available at hcf.com.au/lifeinfo or by contacting Us on **13 13 34**. Free paper copies are available on request.

The benefits payable to You are those specified in Your Policy or such more favourable benefits as may be determined by Us and notified to You from time to time. Any such determination does not result in a change to Your Policy.

YOUR DUTY TO TAKE REASONABLE CARE

This insurance cover is provided under a consumer insurance contract. You have a duty to take reasonable care not to make a misrepresentation. If You do not comply with this duty, We may be able to reduce the amount We pay You when You claim, deny Your claim, or cancel Your contract. So it is important that You answer any questions in the application process honestly and correctly, to the best of Your knowledge.

PROTECTING YOUR RIGHTS

If You have a complaint about Your Policy, please contact Our Policy Service Team on **13 13 34** and We will attempt to resolve it promptly. If an issue has not been resolved to Your satisfaction, You can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides a fair and independent financial services complaint resolution process that is free to consumers.

Call: **1800 931 678 (free call)**
Visit: afca.org.au
Email: info@afca.org.au
Write: **Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001**

The Hospitals Contribution Fund of Australia Limited.
ABN 68 000 026 746 AFSL 241 414

HCF Life Insurance Company Pty Limited.
ABN 37 001 831 250 AFSL 236 806

FINANCIAL SERVICES GUIDE

HCF is licensed to provide general advice about and arrange for the issue of life and general insurance products. The life insurance products are issued by HCF Life Insurance Company Pty Limited (HCF Life).

This Financial Services Guide provides information about the services provided by HCF and HCF Life in relation to Income Protect Insurance and is designed to assist You in deciding whether to use any of these services.

It contains information about remuneration paid to HCF, HCF Life and its staff for the services offered and how complaints against HCF and HCF Life in relation to these services are dealt with.

If HCF or HCF Life offers or arranges to issue You Income Protect Insurance We will provide You with a Product Disclosure Statement relating to that product where required. The Product Disclosure Statement sets out the significant features of the product and will assist You to compare and make informed decisions about the product.

HCF's Australian Financial Services Licence (Number 241 414) (AFSL) authorises HCF to provide general advice about, and arrange the issue of, both life and general insurance products. The life insurance products are issued by HCF Life Insurance Company Pty Limited (HCF Life). HCF Life also provides general advice and claims handling and settling services.

HCF Life is a wholly owned subsidiary of HCF and acts on its own behalf.

Premiums for the life insurance products are paid to HCF Life. HCF receives commission from HCF Life for the sale of life insurance products of up to 40% of the first year's premium plus an additional commission of 80% of HCF Life's underwriting profit each year calculated as premiums less claims and expenses. HCF's staff may receive an incentive depending on the annual premium of these products which they sell. This will not exceed 15% of the first year's premium.

HCF is a not-for-profit organisation and all of the income it receives is applied for the benefit of its members.

HCF provides general advice about the suitability of these products for the needs of members. This means We do not take account of individual objectives, financial situation or needs.

You should, before acting on that advice, consider the appropriateness of the advice, having regard to Your objectives, financial situation or needs. Please read the Product Disclosure Statement before deciding to purchase any of these products.

HCF holds professional indemnity insurance that complies with the compensation requirements of Section 912B of the *Corporations Act*. This includes cover for claims in relation to the conduct of representatives and employees who no longer work for HCF but who did at the time of the relevant conduct.

Should You have a complaint about any of the services We offer in this Financial Services Guide please call Us on **13 13 34**. If We have not resolved Your complaint within 30 days or You are not satisfied with Our response, You can contact The Australian Financial Complaints Authority (AFCA).

AFCA is an independent body available free of charge to consumers and can be contacted at:

Call: **1800 931 678 (free call)**
Visit: afca.org.au
Email: info@afca.org.au
Write: **Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001**

The Hospitals Contribution Fund of Australia Limited.
ABN 68 000 026 746 AFSL 241 414

HCF Life Insurance Company Pty Limited.
ABN 37 001 831 250 AFSL 236 806

OUR PRIVACY STATEMENT

HCF Life is committed to best practice privacy protection.

We collect your personal information including sensitive information such as health information from you and/or the policy owner who is responsible for your policy and/or from other third parties detailed in the HCF Privacy Policy (which covers HCF Life), so we can:

- comply with applicable laws
- manage our relationship with you
- provide life insurance related products and services to you (including through third parties)
- manage and pay claims and benefits
- assess your life insurance and related needs
- investigate fraudulent or improper claims and assess risks
- research and develop products, services and benefits that may better serve your needs
- assess your possible interest in and tell you about other HCF products and services
- administer our business and deal with complaints.

The types of organisations and individuals we disclose personal information to include:

- third party organisations who deliver services on our behalf or to us, some of whom may be located overseas
- research companies contracted to us to ask your opinion on improving our service, benefits or product offerings
- other insurers or reinsurers
- government, including law enforcement agencies
- related HCF companies
- the named policy owner who has your authority
- any other authorised individual.

If you do not provide the personal information we request, we may not be able to provide you with our products or services.

You can ask us at any time to stop direct marketing to you by emailing service@myhcf.com.au or calling **13 13 34**.

For more information about the personal information we collect and how we handle it, how to access and correct your personal information or how to make a complaint and how we will respond to complaints, please read the HCF Privacy Policy.

To view the HCF Privacy Policy:

- Visit hcf.com.au/privacy
- Visit your local branch.

All new policy owners should ensure that all members on the policy are made aware of the HCF Privacy Policy.

LIFE INSURANCE CODE OF PRACTICE

HCF Life is bound by the Life Insurance Code of Practice which sets out the Australian life insurance industry's key commitments and obligations to customers. Further information is available at fsc.org.au

RECOVER COVER THAT'S UNCOMMON CARE APPLY TODAY

APPLYING FOR INCOME PROTECT INSURANCE IS EASY

To apply, all you need to do is:

1. Call, visit a branch or go online to complete your application
2. Leave the rest to us.



1800 560 855

MON-FRI 8AM-8PM,
SAT 9AM-5PM AEST/AEDT



hcf.com.au/recover-cover



Visit a branch