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THE FACTS OF LIFE

*The details of your
insurance*

NAB Essentials Product Disclosure Statement

Preparation date: 1 July 2019

Issued by: MLC Limited ABN 90 000 000 402 AFSL 230694 (MLCL)

This Product Disclosure Statement (PDS) takes you through the four different insurance products available through NAB Essentials, as well as some general information you need to know when choosing insurance. Throughout this PDS:

| References to: | Are to be read as: |
|---------------------------|--|
| 'we', 'us', 'our', 'MLCL' | MLC Limited as the insurer and issuer of this insurance. |
| 'you', 'your' | You as both the policy owner and the Life Insured |
| NAB | National Australia Bank Limited |
| PDS | Product Disclosure Statement |

Where you see words within this booklet with initial capital letters (eg 'Pre-existing condition'), these words have special meaning and are explained in Section 8 Definitions.

The full terms and conditions for each insurance product are contained in the product policy documents. Just call us on **1300 411 535** and we'll send you a free copy.

Important information

MLC Limited ABN 90 000 000 402 AFSL 230694 (MLCL) is the insurer and issuer of NAB Essentials, which has been branded by National Australia Bank Limited ABN 12 004 044 937 AFSL and Australian Credit Licence 230686 (NAB). NAB is the distributor of NAB Essentials.

MLCL uses the MLC brand under licence. MLCL is part of the Nippon Life Insurance Group and not a part of the NAB Group of Companies. MLCL is the issuer of this PDS and takes full responsibility for the whole PDS. Your contract is with MLCL. MLCL's Postal address is PO Box 200, North Sydney NSW 2060, should you wish to contact us.

NAB Essentials policies are not a deposit with or a liability of NAB, or any of its related bodies corporate. Neither NAB, nor its related bodies corporate guarantees or accepts any liability for the product.

Any financial advice in this PDS is general only and has not been prepared having regard to your particular objectives, financial situation or needs. You should read this PDS and consider your personal circumstances before acting on any information or advice in this PDS. NAB Essentials is offered only in Australia. The benefits available under NAB Essentials are paid from MLC Limited's Statutory Fund No 1.

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1. THINGS TO CONSIDER WHEN CHOOSING INSURANCE

1.1 How much insurance do you need?

Deciding on the right amount of insurance is a personal choice, so you need to consider a range of factors including your:

- family commitments
- savings and investments
- financial commitments
- income and lifestyle, and
- age.

1.2 If you're replacing your existing insurance

We recommend you compare your existing policy with the insurance products being offered in this PDS. Your new insurance may not provide the same benefits available under your existing policy. If you cancel your existing policy before your new insurance is in place there's a risk you may not be insured.

1.3 Is this the right insurance for you?

Not all insurances with the same name provide the same benefits. For example, different insurances provided by different companies may cover different illnesses. Or the illnesses may need to be at a different stage of advancement for you to receive payment.

Decide what you want the insurance to do for you. Then read the PDS carefully from cover to cover so you understand what the insurance includes and check if it meets your needs. If it doesn't you could be financially disadvantaged if you need to make a claim.

To make this insurance cover more affordable, there are specific exclusions that may apply to each product. It's important that you read the entire PDS carefully for full details of what is covered and what is not covered for each product. If you'd like a free copy of the policy document, please call us on **1300 133 252**.

If you have any questions about the contents of this PDS or any of the products, please contact us on **1300 133 252**. You may also wish to consult with your financial adviser or your medical adviser.

1.4 What you need to tell us

Your Duty of Disclosure is set out on page 29. You are required to answer the questions we ask you truthfully and completely.

If you do not do this, it may impact your insurance policy or any claim you make on the policy.

2. WHY NAB ESSENTIALS?

While the benefits of life insurance may seem obvious, most of us would rather spend time and money on more enjoyable things. But what would happen to you and your family if you became seriously ill, injured or died?

Money will never make up for hardship or replace a loved one but it can help you and your family be financially secure if something happens.

2.1 Easy and convenient:

- easy online or over the phone application
- peace of mind wherever you are – even if you suffer a Critical Illness, Injury or die whilst overseas, you're still covered as long as you've selected the relevant product, and
- no medical examinations. By answering a few simple questions, you can apply for your insurance.

2.2 Who can apply?

You can apply if you're an Australian permanent resident aged 18 to 64 years old (or up to 54 years old for NAB Essential Critical Illness), you received this PDS in Australia and you don't already have an Essentials policy. If you don't qualify for NAB Essential Life insurance, we may offer you NAB Essential Accidental Death.

If you have an existing NAB or MLC Essentials policy, you can apply for other products or change your existing policy at any time by calling **1300 411 535**.

| Product | Age at application | Maximum age to receive benefit |
|---|--------------------|---|
| NAB Essential Life and Accidental Death | Age 18-64 | Up to age 75 |
| NAB Essential Critical Illness | Age 18-54 | Up to age 65 |
| NAB Essential Injury | Age 18-64 | Up to age 80 (benefit reduces by 50% after age 75). |

2.3 How it works

NAB Essentials is a range of simple and affordable life insurance products. You can choose one or more of these products to suit your individual needs.

| Product | What does it cover? | How much can you apply for? |
|--------------------------------|---|---|
| NAB Essential Life | A lump sum payment is made if you're diagnosed with a Terminal Illness or you die. | Age 18–44 up to \$1 million Age 45–54 up to \$750,000 Age 55–64 up to \$500,000 |
| NAB Essential Critical Illness | You receive a lump sum payment if you're diagnosed with a Critical Illness. | Up to \$500,000 |
| NAB Essential Injury | You receive a lump sum amount if you have a listed fracture as a result of an Accident. You may also receive a daily amount if you're not able to carry out Activities of Daily Living as a result of your Injury. | Up to \$40,000 lump sum, and/or Up to \$800 per day |
| NAB Essential Accidental Death | A lump sum payment is made if you have an Accident and die within 12 months as a result. | Age 18-44 up to \$1 million Age 45-54 up to \$750,000 Age 55-64 up to \$500,000 |

To make a claim, for an Injury or Critical Illness you must meet the relevant definitions in this PDS on pages 23 – 28. It's important you read the rest of this document so you fully understand what each of these products cover and how they work.

2.4 When does your insurance start?

Your insurance starts when we accept your application.

We'll confirm this date in your Policy Schedule which you'll receive with your welcome pack, along with other details about your insurance.

2.5 Keeping your insurance up to date

We continuously look for ways to improve the features and benefits of our insurance, so you'll receive better protection.

Where it won't affect your premiums we'll add those improvements to your insurance.

We'll inform you of any improvements we make.

2.6 Making a claim

If you hold more than one Essentials product, for example NAB Essential Life and NAB Essential Critical Illness, you can claim for both products depending on the reason for claiming.

If you need to make a claim please call **1300 411 535** between 8am to 7pm (AEST/AEDT), Monday to Friday, to find out what you need to do and request the relevant forms.

Please let us know as soon as possible so we can then start working on your claim. Any delay could make it difficult for us to assess your claim, potentially impacting your benefit. This doesn't apply if you're not legally capable of providing information about the claim during that time.

You'll need to cover the costs of any supporting evidence, such as medical reports, unless we tell you otherwise. We may be unable to pay a claim if the required information is not provided.

Any unpaid monthly or fortnightly premiums on your policy will be deducted from any benefit you receive.

If you do hold more than one product of the same type (for example a NAB Essential Life and MLC Essential Life), you may claim under one product but not both. The duplicate products will be cancelled and the premiums refunded.

3. NAB ESSENTIAL LIFE

With NAB Essential Life a lump sum payment is made if you're diagnosed with a Terminal Illness or you die.

3.1 NAB Essential Life provides:

- up to \$1 million to help protect your family
- 100% of the benefit if you're diagnosed with a Terminal Illness or die
- an advance payment of \$10,000 to help cover funeral costs (if we haven't previously paid 100% of the benefit for Terminal Illness), and
- insurance up to 75 years of age.

Any advance payment will be paid to your estate when we are advised of your death. The benefit will be reduced by this amount.

3.2 When a benefit won't be paid

We won't pay any benefit for death or Terminal Illness arising directly or indirectly from:

- suicide, attempted suicide or an intentional self-inflicted injury or illness within 13 months from starting, increasing (for the increased amount) or reinstating your policy
- being under the influence of alcohol or drugs unless taken under the direction of a Medical Practitioner
- involvement in criminal activity
- participating in mountaineering, rock climbing, motor sports, scuba diving at a depth of more than 40 metres, or flying other than as a passenger on a regularly scheduled flight of a licensed commercial airline, or
- working underground, with explosives or at heights greater than 10 metres.

3.3 How much insurance can you apply for?

You can apply for between \$100,000 and \$1 million depending on your age when you apply.

| Age at application | Application amount (Maximum) |
|--------------------|------------------------------|
| 18-44 | \$1,000,000 |
| 45-54 | \$750,000 |
| 55-64 | \$500,000 |

If you cancel and then re-apply for a new policy, your maximum insurance amount will depend on your age when you re-apply.

This also applies to NAB Essential Accidental Death.

3.4 What happens as you get older?

If you apply for a lower insurance amount at application than the applicable maximum insurable amount, you can increase the insurance amount to the applicable maximum at any time in the future. For example if you are aged 45 at application and apply for \$400,000, your maximum insurance amount is \$750,000. You can choose to increase your insurance to this amount at any age.

Your insurance amount won't be reduced because of age. For example if you have a policy for \$1,000,000 at age 44, this won't be reduced to \$750,000 when you turn 45.

You'll also get annual increases of 3% or the Consumer Price Index (CPI) increase, whichever is higher, so your insurance keeps up with inflation unless you advise us otherwise.

This also applies to NAB Essential Accidental Death.

3.5 NAB Essential Accidental Death

If you don't qualify for NAB Essential Life insurance, we may offer you NAB Essential Accidental Death.

This insurance will provide a lump sum benefit of up to \$1 million if you have an Accident and die within 12 months as a result.

To help with funeral costs, an advanced payment of \$10,000 will be paid to your estate when we are advised of your death. The benefit will be reduced by this amount.

3.6 When we won't pay a benefit for NAB Essential Accidental Death

We won't pay a benefit for death arising directly or indirectly from:

- an injury which occurred before you started your policy
- suicide, attempted suicide or intentional self-inflicted injury or illness
- being under the influence of alcohol or drugs unless taken under the direction of a Medical Practitioner
- involvement in criminal activity
- participating in mountaineering, rock climbing, motor sports, scuba diving at a depth of more than 40 metres, or flying other than as a passenger on a regularly scheduled flight of a licensed commercial airline
- working underground, with explosives or at heights greater than 10 metres, or
- an illness.

4. NAB ESSENTIAL CRITICAL ILLNESS

With NAB Essential Critical Illness a lump sum payment is made if you suffer one of the covered critical conditions.

4.1 NAB Essential Critical Illness provides:

- a lump sum of up to \$500,000 if you suffer one of the following critical conditions:
 - Cancer – excluding specified early stage cancers
 - Coronary Artery Bypass Surgery
 - Heart attack – with evidence of severe heart muscle damage
 - Major Head Trauma
 - Severe Burns, or
 - Stroke – in the brain and of specified severity.

See page 23 for the full definitions. An appropriate Specialist and our medical adviser must both agree that the definition for that condition has been fully met.

4.2 When we won't pay a benefit

You'll need to survive the critical condition for 14 days to receive the benefit.

We won't pay a benefit for any condition arising directly or indirectly from:

- a Pre-existing condition as outlined on page 25
- not meeting the definition of the listed condition
- attempted suicide or intentional self-inflicted injury or illness
- being under the influence of alcohol or drugs unless taken under the direction of a Medical Practitioner
- involvement in criminal activity
- a condition which first appeared, happened or was diagnosed within 90 days of starting, increasing (for the increased amount) or reinstating your policy (only applies to Heart Attack, Stroke and Cancer), or
- surgical procedures when the underlying condition requiring surgical intervention first appears, first happens, or is diagnosed within 90 days of starting, increasing (for the increased amount) or reinstating your policy. (Only applies to Coronary Artery Bypass Surgery).

In addition to the above exclusions, we won't pay any benefit for Major Head Trauma or Severe Burns arising directly or indirectly from:

- war or warlike operations
- participating in mountaineering, rock climbing, motor sports, scuba diving at a depth of more than 40 metres and flying other than as a passenger on a regularly scheduled flight of a licensed commercial airline, or
- working underground, with explosives or at heights greater than 10 metres.

4.3 How much insurance can you apply for?

You can apply for between \$20,000 and \$500,000.

5. NAB ESSENTIAL INJURY

With NAB Essential Injury, if you have an Accident up to four benefits can be paid.

| | |
|--------------------------|---|
| Living Assist Benefit | Daily benefit while you're injured and unable to perform three Activities of Daily Living as a result of an Accident. The Living Assist Benefit will double if the injury occurs while you're overseas and while you remain overseas and entitled to be paid the benefit. |
| Homecare Assist Benefit | Daily benefit to help cover your homecare expenses resulting from your Injury. This benefit is only payable if you receive a Living Assist Benefit. |
| Transport Assist Benefit | An amount to cover transport costs to and from medical appointments in Australia. This benefit is only payable if you receive a Living Assist Benefit. |
| Fracture Benefit | A lump sum payment if you have a listed Fracture as a result of an Accident. |

For more information about these benefits, please go to page 26. For a benefit to be paid, an appropriate Specialist and our medical adviser must both agree that the definition for a condition has been fully met.

5.1 NAB Essential Injury provides:

- cover up to \$200,000 for an Injury resulting from an Accident
- cover for your Partner on your policy at a discounted rate
- an increased benefit to help with costs if an Injury occurs when overseas, and
- access to multiple claims, as long as you don't exceed your maximum total payable for the life of the policy.

5.2 Adding your Partner

You can include your Partner in your NAB Essential Injury insurance for an increase in premium. Your Partner will be added as a Life Insured on your policy and any Partner benefit will be paid to you as the policy owner, not directly to your Partner. You can cancel your Partner's cover at any time.

5.3 When we won't pay a benefit

We won't pay a benefit for any Injury or Fracture arising directly or indirectly from:

- a Pre-existing condition as outlined on page 27
- attempted suicide or intentional self-inflicted Injury or illness
- being under the influence of alcohol or drugs unless taken under the direction of a Medical Practitioner

- involvement in criminal activity
- war or warlike operations
- participating in professional sports, or dangerous pursuits including mountaineering, rock climbing, boxing, caving, motor sports, yacht-racing, horse-racing, jet-skiing, martial arts, off-piste skiing, potholing, skydiving, scuba diving at a depth of more than 40 metres or diving in a cave
- flying other than as a passenger on a regularly scheduled flight of a licensed commercial airline
- working underground, offshore in the oil, gas or petroleum industry, with explosives, or at heights greater than 10 metres, or
- any disease, illness of any kind (including mental illness or surgical treatment).

In addition, we won't pay a Living Assist Benefit if your inability to perform three Activities of Daily Living does not start within 90 days of the Accident.

5.4 How much insurance can you apply for?

There are five different plan options for you to choose from.

| Plan/ Benefit | Benefit limit per Accident | Plan A | Plan B | Plan C | Plan D | Plan E |
|---|----------------------------------|--------------------|---------------------|---------------------|---------------------|---------------------|
| Living Assist | up to 90 days | \$200 per day | \$400 per day | \$500 per day | \$600 per day | \$800 per day |
| Homecare Assist | up to 45 days | Up to \$50 per day | Up to \$100 per day | Up to \$125 per day | Up to \$150 per day | Up to \$200 per day |
| Transport Assist | lump sum | Up to \$200 | Up to \$400 | Up to \$500 | Up to \$600 | Up to \$800 |
| Fracture Benefit | lump sum | Up to \$10,000 | Up to \$20,000 | Up to \$25,000 | Up to \$30,000 | Up to \$40,000 |
| Maximum total payable for the life of the policy | | \$50,000 | \$100,000 | \$125,000 | \$150,000 | \$200,000 |

5.5 What are the Fracture Benefits?

Your benefit amount will depend on the type of fracture, as shown in this table:

| Fractures | Percentage of the Fracture Benefit payable for each Fracture |
|---|--|
| Hip or pelvis | 100% |
| Skull | 60% |
| Thigh, heel, or upper arm | 50% |
| Ankle, lower leg, shoulder blade or elbow | 40% |
| Lower jaw or collarbone | 30% |

| Fractures | Percentage of the Fracture Benefit payable for each Fracture |
|-------------------------------|--|
| Lower arm or wrist | 25% |
| Vertebrae | 20% |
| Sternum, kneecap or cheekbone | 15% |
| Hand, foot or coccyx | 10% |
| Nose or ribs | 5% |
| Toe, thumb or finger | 2% |

Multiple Fractures as a result of a single Accident can be claimed provided the combined benefit doesn't exceed the maximum Fracture benefit payable. Refer to the table at 5.4 above.

For example, John takes out NAB Essential Injury insurance under Plan B which gives him a Fracture benefit of up to \$20,000. He has an Accident and fractures his hip and both legs.

The percentage of Fracture benefit he's entitled to is 100% for his hip and 40% for each leg. Because the maximum Fracture benefit he can receive for one Accident is 100%, he receives \$20,000 for that Accident.

5.6 What happens when you reach age 75?

You can still make a claim but your benefits reduce by 50% when you reach age 75. Your premiums don't change.

For example, James took out NAB Essential Injury insurance and chose Plan E with a Living Assist benefit of \$800 per day. At age 75, James has an Injury caused by an Accident and claims the Living Assist Benefit for 30 days. As a result of his Injury, James receives a benefit payment of \$12,000 ($\$800 \times 30 \text{ days} \times 50\%$).

5.7 Limitations for osteoporosis

We won't pay a benefit for any Fracture where osteoporosis has been diagnosed before the start of the policy.

After the start of the policy, if you're diagnosed with osteoporosis the Fracture benefit will only be paid once. No further Fracture benefit will be paid for the life of the policy.

If you've received a Fracture benefit prior to being diagnosed with osteoporosis you'll still be eligible for one more Fracture benefit subject to the maximum total payable for the life of the policy.

6. YOUR PREMIUM

6.1 How your premium is calculated and charged

| | |
|---|---|
| NAB Essential Life and NAB Essential Critical Illness | Your premium is based on the amount of insurance you choose and your: <ul style="list-style-type: none">• gender• smoking status, and• age. Premiums generally increase with age and are higher for smokers than non-smokers. |
| NAB Essential Injury and NAB Essential Accidental Death | Your premium is based on: <ul style="list-style-type: none">• the amount of insurance you choose, and• your age on the date you apply. |

Your premium will be confirmed in your Policy Schedule.

6.2 Will premiums change?

Your premium will automatically increase on your policy anniversary each year:

- for inflation, as a result of the increase in benefit of 3% or CPI, whichever is higher. You can choose not to increase for inflation by calling us, and
- for your age if you have NAB Essential Life or NAB Essential Critical Illness insurance.

We may change the way we calculate our premiums at any time. Because of this, your premium may increase or decrease. We'll:

- give you 30 days' written notice before premiums change
- only change your premium on your anniversary date following any change, and
- not single you out for a change in premium.

We reserve the right to recover from you the cost of any duty, tax, excise, impost, charges or deductions applied by the Australian Government or any State or Territory Government, as they apply to your policy from time to time. There's no Goods and Services Tax (GST) charged on the premium.

6.3 How you pay your premium

You can pay your premiums fortnightly or monthly in advance, by credit card or direct debit from your bank account.

By giving us your bank details you are agreeing to allow us to deduct money from your account to pay your premium.

For a copy of the Direct Debit Service agreement please call us on **1300 411 535**.

6.4 Tax

If you're the policy owner of this type of insurance, generally the premium is not tax deductible and benefits paid under the policy are not assessable.

The information is of a general nature only, and we recommend that you seek professional advice regarding your own taxation position. In addition, you may obtain information from the Australian Taxation Office at **ato.gov.au**

7. MORE INFORMATION YOU NEED TO KNOW

7.1 Welcome pack

Once your application has been approved we'll send you a welcome pack, which will include your Policy Schedule and policy document.

7.2 Want to increase your insurance?

Your insurance will automatically increase on the anniversary of the start date of your policy each year by 3% or CPI, whichever is higher, to help protect you from inflation. If you don't want this increase please let us know.

You can apply to increase your insurance amount at any time by calling us on **1300 411 535**, but you may need to answer some health questions.

You can also decrease your insurance at any time.

Any changes to your insurance will take effect when we accept your request and issue a new Policy Schedule and, for NAB Essential Life and NAB Essential Accidental Death, you pay your next premium.

7.3 Who will be paid the insurance benefit?

Benefits are paid to the policy owner named in the Policy Schedule. If the policy owner is deceased, the benefit will be paid to their estate.

7.4 When will your insurance end?

| Your insurance ends when: | NAB Essential Life and Accidental Death | NAB Essential Critical Illness | NAB Essential Injury |
|--|---|--------------------------------|--|
| you reach the anniversary of your start date | after you turn 75 | after you turn 65 | after you turn 80 |
| you receive a benefit under the policy | ✓ | ✓ | ✗ you can make multiple claims. Your insurance ends when you receive the maximum total payable for the life of the policy |
| your premiums aren't paid and we cancel your insurance | ✓ | ✓ | ✓ |

| Your insurance ends when: | NAB Essential Life and Accidental Death | NAB Essential Critical Illness | NAB Essential Injury |
|---------------------------------|---|--------------------------------|----------------------|
| you cancel your insurance | ✓ | ✓ | ✓ |
| you make a fraudulent claim, or | ✓ | ✓ | ✓ |
| you die. | ✓ | ✓ | ✓ |

If your NAB Essential Injury policy includes your Partner, their insurance will end when your insurance ends, they reach the anniversary of the start date after they turn 80, we pay the maximum total payable for them for the life of the policy, they make a fraudulent claim or they die.

7.5 Want to change your mind?

If you're not satisfied that your NAB Essentials insurance meets your needs, you can cancel it at any time by contacting us on **1300 411 535**. If you cancel within 30 days of your insurance starting we'll refund the premiums you paid during that time.

7.6 Distribution payment

MLCL will pay a distribution allowance to a related body corporate of NAB, National Wealth Management Services Limited in respect of the distribution of MLCL's insurance products. This payment will depend in part on the value of MLCL's insurance portfolio relating to insurance distributed through NAB and its related bodies corporate and the performance of NAB and its related bodies corporate against agreed annual performance criteria.

7.7 Product changes

The information in the PDS may change from time to time. We'll write to let you know about any changes we make that are materially adverse. Information about any other changes will be available online at nab.com.au/nabessentials. You can also call us on **1300 411 535** and we'll send you a free paper copy.

If we decide to discontinue any of the NAB Essentials products we can replace your insurance with a policy providing the same or better benefits.

7.8 Resolving complaints

In many cases, we can resolve your complaint. Please contact us on **1300 411 535** to discuss your concerns and we'll work with you to resolve the complaint quickly.

If you're unhappy with the resolution of your complaint, you can ask for it to be reviewed by our MLC Life Insurance Resolve team.

This team will ensure your complaint is reviewed and provide you with the final outcome in writing. This will include the reasons for our decision.

You can request a review of your complaint by:

Writing to: The Complaints Manager
MLC Life Insurance,
PO Box 20457
World Square NSW 2002

MLCL is allowed up to 45 days to respond.

If the complaint will take longer to resolve than the time allowed, MLCL will let you know and tell you the reasons for any delay.

MLCL will also keep you updated on the progress of your complaint.

If you are dissatisfied with the final outcome of your complaint, or if MLCL is unable to provide you with a final outcome in the time allowed, or if you believe that MLCL has not provided you with the reasons for the decision, you have the right to lodge a complaint with Australian Financial Complaints Authority (AFCA). AFCA is an independent body that provides a complaint resolution service free of charge to customers. To contact them, you can:

Write to: Australian Financial Complaints
Authority
GPO Box 3
Melbourne VIC 3001

Call: 1800 931 678

Or email: info@afca.org.au

For more information go to afca.org.au

8. DEFINITIONS

Key terms explained

To help you read this we have listed some key definitions for terms that have been used throughout the PDS.

You can find specific details about the insurance terms and conditions in the product policy document. You'll receive a copy of the policy document in your welcome pack or you can call us on **1300 411 535** and we'll send you a copy.

General

Accident means for:

- NAB Essential Critical Illness and NAB Essential Injury, an event where bodily injury is caused directly and solely by violent, external and visible means, independently of all other causes.
- NAB Essential Accidental Death, an event where death is due to bodily injury caused solely and directly by violent, accidental, external and visible means, independently of any other cause. Death must result from the Accident within 12 months.

Life Insured means you and any other person specified as a life insured in the Policy Schedule.

Medical Practitioner means a medical practitioner registered in Australia who is not you, a Partner or a relative. If registered other than in Australia, your medical practitioner must have qualifications equivalent to a medical practitioner registered in Australia and be approved by us.

Policy Schedule means the schedule we send you once we accept your application, which outlines your coverage under the contract of insurance (start date, types of cover, level of cover, etc.) and which is updated each year on the anniversary date.

Pre-existing condition has a different definition depending on the insurance you're considering.

For NAB Essential Critical Illness see page 25. For NAB Essential Injury see page 27.

Specialist means a doctor who is an appropriate specialist in a relevant medical field.

NAB Essential Life

Terminal Illness means an illness which, in the opinion of an appropriate Specialist approved by us, would reasonably be expected to reduce your life expectancy to less than 12 months.

NAB Essential Critical Illness

Cancer – excluding specified early stage cancers

The presence of one or more malignant tumours, leukaemia or lymphomas. The following are excluded:

- Chronic lymphocytic leukaemia in its early stages (less than RAI stage 1).
- Prostate cancer which is histologically described as TNM classification T1(a) or (b) or another equivalent or lesser classification with a Gleason score of 5 or less unless:
 - the person insured is required to undertake major interventionist therapy including radiotherapy, brachytherapy, chemotherapy, biological response modifiers or any other major treatment, or
 - the tumour is completely untreatable.
- Carcinoma in Situ, cervical dysplasia CIN1, CIN2, and CIN3, or premalignant tumours.
- Carcinoma In Situ of the Breast, except where it leads to the removal of the breast by a mastectomy or removal of the carcinoma in situ by breast conserving surgery (lumpectomy, complete local excision, wide local excision, partial mastectomy), together with radiotherapy or chemotherapy. The procedure must be performed as a direct result of the carcinoma in situ and specifically to arrest the spread of malignancy, and be considered the necessary and appropriate treatment.
- Skin cancer other than melanoma that:
 - shows signs of ulceration as determined by histological examination, or
 - is greater than 1.0 mm thick, or
 - is least Clark Level 3 of invasion.
- Hyperkeratosis or basal cell skin carcinoma.
- Squamous cell skin carcinoma unless it has spread to other organs.
- All non-melanoma skin cancers unless having spread to the bone, lymph node, or another distant organ.

Coronary Artery Bypass Surgery means the open-heart surgical grafting of a bypass to a coronary artery to overcome narrowing or obstruction. It must be considered necessary by a Specialist Medical Practitioner treating the condition, and a Specialist Medical Practitioner nominated by us. Confirmation that the surgery has been performed will be required.

This doesn't include:

- coronary artery angioplasty
- cardiac keyhole surgery, or
- laser or other intra-arterial procedures.

Critical Illness means one of the following critical conditions:

- Cancer – excluding specified early stage cancers
- Coronary Artery Bypass Surgery
- Heart attack – with evidence of severe heart muscle damage
- Major Head Trauma
- Severe Burns, or
- Stroke – in the brain and of specified severity.

Heart Attack – with evidence of severe heart muscle damage

Heart Attack (Myocardial Infarction) means the death of part of the heart muscle because of inadequate blood supply, confirmed by a Cardiologist and evidenced by:

- typical rise and/or fall of cardiac biomarkers with at least one value above the 99th percentile of the upper reference range together with any one of the following:
 - new serial ECG changes showing the development of any one of the following:
 - ST elevation
 - left bundle branch block (LBBB), or
 - pathological Q waves, or
 - imaging evidence of new and irreversible:
 - loss of viable myocardium, or
 - regional wall motion abnormality, or
 - left ventricular ejection fraction less than 50%, at least three months after the event.

Elevated biomarkers that arise from causes other than heart attack are excluded, including those as a result of elective percutaneous procedures and other acute coronary syndromes.

If the above tests are inconclusive or superseded by technological advances, we'll consider other appropriate and medically recognised tests.

Major Head Trauma means a head injury caused by an Accident resulting in neurological deficit causing permanent loss of at least 25% of whole body function. The diagnosis must be made within 90 days of the Accident. This would not include any neurological deficit resulting from surgery whether accidental or not.

Pre-existing condition for NAB Essential Critical Illness means any illness or injury that first occurred, appeared or is diagnosed before the start, increase (for the increased amount) or reinstatement of your policy, or for which you have experienced symptoms or received medical treatment leading to a diagnosis after the start of your policy, increase or reinstatement and while this cover is in force.

This doesn't include:

- any illness or injury you weren't aware of, or couldn't have been reasonably expected to be aware of, or
- a condition which we asked you about at the time you applied for, increased or reinstated the insurance and, after a full and accurate response, we issued the policy or the increase, or reinstated your policy.

For example if you had a cancer prior to the date we accept your insurance application, you won't be covered under the policy for that cancer or any illness or injury related to that cancer.

Severe burns means tissue injury caused by thermal, electrical or chemical agents causing third-degree burns to:

- at least 20% of the body area as measured by Rule 9 of the Lund & Browder Body Surface Chart, or
- both hands requiring surgical debridement (removal of dead, damaged or infected skin), or
- at least 20% of the face – requiring surgical debridement (removal of dead, damaged or infected skin).

Stroke – in the brain and of specified severity

An incident in the blood vessels of the brain or bleeding in the brain leading to neurological effects that last for at least 24 hours.

There must be clear evidence on a CT, MRI or similar scan that a stroke has occurred.

Transient ischaemic attacks, symptoms due to migraine, vascular disease of the optic nerve, physical head injury, reversible neurological deficit or any blood vessel incident outside the cranium, except embolism resulting in stroke, are excluded.

NAB Essential Injury

Activities of Daily Living are:

1. Washing/Bathing – the ability to wash oneself either in a bath or shower or by sponge without the assistance of a Full-time Caregiver
2. Dressing – the ability to put on and take off essential clothing without the assistance of the Full-time Caregiver. Essential clothing is considered to include the following: underwear, trousers, dress, skirt, shoes, and shirt
3. Eating – the ability to feed oneself, once food has been prepared and made available, without the assistance of a Full-time Caregiver
4. Using the toilet – the ability to get to and from, and on and off, the toilet without the assistance of a Full-time Caregiver, and
5. Mobility – the ability to get in or out of bed, get in or out of a chair or wheel chair, or move from place to place by walking, without the assistance of a Full-time Caregiver.

Full-time Caregiver means a person(s) acceptable to us, 18 years and over, who assists with the Activities of Daily Living for an appropriate period of time to enable the proper care of the injured person, to our satisfaction. Proof of full-time care will be required at the time of claim.

Homecare Assist Benefit provides a contribution towards reasonable expenses for home assistance in Australia, which may include cleaning, cooking, gardening or minor alterations required to your place of residence. It doesn't include medical expenses. Homecare Assist will only be paid once proof of services has been provided through a tax receipt as approved by us, and which includes the supplier's Australian Business Number (ABN). The Homecare Assist Benefit is paid in addition to the Living Assist Benefit.

Injury means bodily injury which occurs while the policy is in force.

Fracture means traumatic injury to a bone caused by an Accident during which the continuity of the bone tissue is broken (ie a Medical Practitioner diagnoses that your bone has been fractured).

Stress fractures are excluded.

Fracture Benefit is payable only if you sustain a listed Fracture. The Fracture must be diagnosed within 90 days of the Accident.

Two separate finger or toe Fractures will receive two finger or toe benefits. If three or more fingers or toes are fractured, then the hand or foot benefit will be paid for this injury.

Two or more Fractures in the same area are considered to be one Fracture and will receive one benefit payment only. For example, two or more Fractures of the vertebrae are considered to be one Fracture and Fractures on two or more ribs are considered to be one Fracture.

Living Assist Benefit is payable when a Medical Practitioner has certified the Life Insured, as a result of an Accident, is unable to perform at least three Activities of Daily Living without the assistance of a Full-time Caregiver. If the Living Assist Benefit period exceeds seven days we need further supportive evidence, including from the Medical Practitioner, for each seven-day period. This benefit is paid from the second day of becoming entitled to the benefit.

The inability to perform three Activities of Daily Living must start within 90 days of the Accident.

If the Injury occurs when overseas the Life Insured must be under the continuous care of a Medical Practitioner or registered nurse approved by us. The double overseas benefit is limited to the stay overseas. The benefit will reduce if you return to Australia.

If you made a claim and received benefit because of an Accident and you were unable to perform three Activities of Daily Living and the inability recurs, it will be treated as a continuance of your original claim. The inability recurs if it arises directly or indirectly from the original Accident.

Partner means a person:

1. who is legally married to you, or
2. your de-facto spouse (including same-sex partner).

Pre-existing condition for NAB Essential Injury means any illness or Injury that first occurred, appeared or was diagnosed before the start, increase (for the increased amount) or reinstatement of your policy, or for which you have experienced symptoms or received medical treatment leading to a diagnosis after the start of your policy, increase or reinstatement and while this cover is in force. This doesn't include any illness or Injury you weren't aware of, or couldn't have been reasonably expected to be aware of.

For example, if you had a hand fracture prior to the date we accept your insurance application, you will not be covered under the policy for that fracture or any illness or injury related to that fracture.

Transport Assist Benefit provides for the reimbursement of reasonable expenses for travel to and from medical appointments in Australia. Transports covered are taxi, bus, train and ferry. The benefit will only be paid once proof of travel expenses has been provided, including receipts for travel, along with proof of your medical appointment. It doesn't include medical expenses. You may claim the Transport Assist Benefit and Homecare Assist Benefit at the same time. The Transport Assist Benefit is paid in addition to the Living Assist Benefit.

9. DUTY OF DISCLOSURE

Your duty of disclosure

When you apply for a life insurance policy, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you extend, vary or reinstate the policy.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If someone other than you will be the Life Insured under the policy, any failure by that person to comply with the above duty will be treated as failure by you.

If you do not tell us something

In exercising the following rights, we may consider whether different types of cover can constitute separate policies of life insurance. If they do, we may apply the following rights separately to each type of cover.

If you do not tell us anything you are required to, and we would not have insured you if you had told us, we may avoid the policy within 3 years of entering into it.

If we choose not to avoid the policy, we may, at any time, reduce the amount you have been insured for. This would be worked out using a formula that takes into account the premium that would have been payable if you had told us everything you should have. However, if the policy provides cover on death, we may only exercise this right within 3 years of entering into the policy.

If we choose not to avoid the policy or reduce the amount you have been insured for, we may, at any time vary the policy in a way that places us in the same position we would have been in if you had told us everything you should have. However, this right does not apply if the policy provides cover on death.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the policy as if it never existed.

10. PRIVACY

We collect your personal information from you directly wherever we can, but in some cases we may collect it from third parties such as your adviser, your employer, medical professionals or medical facilities. We do this to determine your eligibility for, and to administer your insurance. If personal information is not provided, we may not be able to provide you with the insurance cover available through this product or administer it appropriately. Government regulations require some information to be collected including company and tax laws.

We may disclose your personal information to third parties including our parent company Nippon Life Insurance Company, those involved in managing or administering any aspect of your product, and to National Australia Bank Limited and its related bodies corporate who either distribute or are involved in the administration and maintenance of our life insurance products.

For more information refer to mlcinsurance.com.au/privacy-policy

We may also need to disclose your information with organisations outside Australia. We may use your personal information to contact you about products and for marketing activities. You can let us know, at any time, if you no longer wish to receive these direct marketing offers by contacting us.

More information about how we collect, use, disclose and handle your personal information, how you can access, correct your personal information and how you can make a complaint about a privacy issue is in our Privacy Policy which is available at mlcinsurance.com.au/privacy-policy or by contacting us on **13 22 95** (Hearing impaired customers can call TTY 13 36 77).

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