

Insurance Application – Instructions

This guide is to assist in completing your insurance application to facilitate the underwriting process. The general rule is to include any details you feel may be relevant. If unsure you should include in your application.

Your Duty of Disclosure – In Brief

To ensure the insurer has all the information necessary to make a decision on your application, the onus of disclosure is on the applicant. If it is discovered that you did not disclose all pertinent information the insurer may void the contract or reduce the sum you have been insured for.

Click here to view Duty of Disclosure in full.

Information in Application

- Occupation

This section relates to your duties rather than your title, describe in full:

- The nature of the work you undertake
- Make reference to any manual or dangerous duties you undertake
- How many hours per week you are undertaking specific duties

- Health

You must give the insurer your full medical history, complete fully and to the best of your knowledge:

- What the disability, illness, injury, condition or test was
- When it started
- When it finished
- Who treated you
- Period of time (if any) you had off work
- Extent of your recovery
- Test results
- Type of treatment

If you do not have enough room to fully explain an ailment, please use a separate piece of paper and attach to the application.

- Hobbies

You must disclose activities of a risky nature (such as motor sports, football, flying, underwater diving, etc)

- Smoking

Please disclose fully, including social smoking

- International Travel

If you have plans to travel overseas please indicate:

- Purpose of trip (business or pleasure)
- Where (specific countries) you will be visiting
- Duration of your stay

Sign the application in the areas marked.

Level and Stepped Premiums

There are two different types of premium structures for life insurance policies:

1. **Stepped Premium** Your benefit stays the same, however premiums vary each year depending on the age of those insured.
2. **Level Premium** Your benefit stays the same and your premium will only vary if the insurer changes their premium rates.

Initially, level premiums are more expensive than stepped premiums but once the policy is held for a certain period of time the total cost under level premium becomes less. You have been quoted stepped premiums, but we can arrange a discussion on level premiums if this is of interest.

Duty of Disclosure – In Full

Before you enter into a contract of life insurance with an insurer, you have a duty, under the insurance Contracts Act 1984, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms. You have the same duty to disclose those matters to the insurer before such a contract of life insurance is extended, varied or reinstated.

Your duty, however, does not require a disclosure of a matter:

- That diminishes the risk to be undertaken by the insurer
- That is of common knowledge

- That your insurer knows or, in the ordinary course of business ought to know
- For which your duty of compliance is waived by the insurer

Non-Disclosure

If you fail to comply with your Duty of Disclosure and the insurer would not have entered into the contract on any terms if the failure had not occurred, the insurer may avoid the contract within three years of entering into it. If your non-disclosure is fraudulent, the insurer may void the contract at any time.

An insurer who is entitled to void a contract of life insurance may, within three years of entering into it, elect not to void it but reduce the sum that you have been insured for in accordance with a formula that takes into account the premium that would have been payable if you had disclosed all relevant matters to the insurer.

Your Duty of Disclosure continues until the contract of life insurance has been accepted by the insurer and a policy is issued. It also applies if the contract is extended, varied or reinstated.

Declaration

- I have been made aware of my Duty of Disclosure.
- I have completed the application in my own handwriting (if assisted by someone else they are acting on my instructions and the information is correct).
- My Adviser (or staff) has not influenced the answers contained in my application.
- I have been provided the Product Disclosure Statement by my Adviser and I understand the information contained within relating to the selected policies.

Signature:

Print Name:

Date: