

Virgin Life Insurance

Contact

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virginmoney.com.au

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Issuer:
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ABN 70 050 109 450 AFSL 237848
80 Alfred Street South, Milsons Point, NSW 2061.

**Everything you need to know
about Life Insurance - the
Virgin Way**



Product Disclosure Statement

1st October 2011



About the Product Disclosure Statement (PDS)

This PDS is designed to help you decide whether to acquire this product. Information is of a general nature only and does not take into account your individual objectives or financial situation. Updates that are not materially adverse will be posted on virginmoney.com.au and you can call us at any time for a copy of the PDS on 13 61 62.

Virgin Life Insurance is promoted by Virgin Money (Australia) Pty Limited ABN 75 103 478 897 (Virgin Money), authorised representative (AR 280884) of Virgin Money Financial Services Pty Ltd ABN 51 113 285 395 AFSL 286869. This PDS and the insurance cover is issued by TAL Life Limited ABN 70 050 109 450 AFSL 237848 (TAL). For more information about TAL visit tal.com.au. In this PDS 'you' and 'your' refer to the Policy Owner or Life Insured and 'we', 'us' and 'our' refer to TAL or Virgin Money as applicable. Premiums are payable by, and benefits are payable to, the policy owner.

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PART A - INTRODUCTION TO VIRGIN LIFE INSURANCE

Do you really need life insurance?

If you're thinking you don't need life insurance, you're right, you don't. But your family does.

While we insure our cars, our homes and other belongings, we often don't stop to think about ourselves and our loved ones. Or the future.

Ask yourself this. Would your family cope financially if you died or were diagnosed with a terminal illness?

Do you have a 'plan B' that'll help them cope with the **everyday cost of living**?

- mortgage repayments
- credit card bills
- high cost of raising kids
- day to day expenses

Without the income they've been used to, your loved ones could face drastic lifestyle changes.

Taking out a life insurance policy gives you the peace of mind that you're looking after the people you love most if you're no longer around to help out. So they can continue to enjoy the way of life they've always been used to.

So what's stopping you?

We all want what's best for our families, but the startling fact is over 95% of Australians don't have enough life cover*, don't give it enough thought or simply don't have any financial protection in place.

95% of Australian families don't have adequate life insurance cover
Underinsurance will cost taxpayers over \$1.3billion in the next decade*

*Lifewise/NATSEM March 2010

Maybe it's because life insurance seems very complex and time consuming, too expensive, or maybe health and lifestyle issues make it just too hard to get covered at all.

Or maybe it's been on your 'to do' list and you've just not gotten around to it. Well, Virgin Money would like to change that.

We're here to get you covered

Whatever the reasons, it's time to get Australia feeling good about protecting the people we love and their futures.

That's why Virgin Money is making life insurance simple for all Australian residents, aged 18-65, with our guaranteed on the spot life cover.

Finally you can get cover that's

- ✓ **guaranteed**
- ✓ **affordable**
- ✓ **flexible**
- ✓ **easy to apply for**

Whatever your insurance needs, you're guaranteed a level of cover quickly with minimum fuss - and it may cost less than you think.

Want to know more? We're here to help.



13 61 62

8am-8pm AEST Mon-Fri



virginmoney.com.au

Welcome to Life Insurance the Virgin way

... it's easy to understand and easy to get covered

Simple – Cover on-the-spot

- ✓ Get guaranteed cover in just a few minutes
- ✓ No lengthy forms, no medicals, no fuss
- ✓ Apply online - virginmoney.com.au or over the phone - **13 61 62** (8am-8pm AEST, Mon-Fri)

Control – Choose the cover option to suit you

	Quick & Easy option	Tailored option
What is it?	Guaranteed cover in a few minutes, with no health or lifestyle questions asked.	Tell us a bit more about your health and lifestyle and you could reduce your premiums.
Who is it for?	Those who don't have a lot of time and want the convenience of fast cover. It's also for people who've found it difficult to get cover in the past due to health or lifestyle reasons.	Those who are in good health, and would like a higher level of cover.
What is the maximum cover amount?	Up to \$750,000 cover for death and terminal illness.	Up to \$1.5 million cover for death and terminal illness.
What isn't covered?	Suicide and pre-existing medical conditions not covered for the first five years of the policy. Dangerous Occupations, Pastimes, and criminal activities are not covered at any time.	Suicide not covered for the first 13 months of the policy. Additional exclusions may apply depending on your answers to the questions asked. These will be agreed with you before your policy starts.

Affordable – Cover costs less than you think

- ✓ Affordable cover options – what else would you expect from Virgin?
- ✓ You could reduce your premiums by answering some health and lifestyle questions
- ✓ Cover starts from as little as \$2.31* a week
- ✓ Discounts for partners and bigger discounts for cover levels over \$500,000
- ✓ Option to freeze your premiums for the life of your policy

Flexible - Changes as your needs change

- ✓ Increase or reduce your level of cover
- ✓ Add a partner to your policy
- ✓ Add or change beneficiaries
- ✓ Change your payment frequency
- ✓ Select a payment date that suits you with any-day billing
- ✓ Change your premium options

Plus more great benefits

- ✓ Fast cash payout of \$10,000 on approval of a claim, to help your loved ones with legal expenses
- ✓ Access to other great Virgin Family deals and offers at My Virgin Money
- ✓ 30 Day money back guarantee so you can be sure of your decision

*Based on \$100,000 cover for a female non-smoker, on Tailored option standard premium rates, aged 19 to 40 next birthday

PART B – DETAILED INFORMATION ABOUT VIRGIN LIFE INSURANCE

About Virgin Life Insurance

Virgin Life Insurance provides a lump sum benefit to ensure peace of mind and financial security for your loved ones in the event of your death or diagnosis of a terminal illness with a life expectancy of less than 12 months.

- Cover available for all Australians aged 18 to 65.
- Cover one or two people.
- Worldwide cover 24 hours a day (subject to any exclusions you agree to before your policy starts).
- Once accepted and while premiums are paid when due, you are guaranteed cover up to age 80 next birthday.

Virgin Life Insurance guarantees cover for all Australians aged 18 to 65 in just a few minutes online or over the phone. Plus you can choose the type of cover to suit your needs.

Quick & Easy option

- Guaranteed Acceptance up to \$750,000 cover with no medical questions asked.
- 25% discount on the premium for the portion of cover above \$500,000.
- Get one month free when you pay your premiums annually over the phone.

Tailored option

- Apply for up to \$1.5million cover by taking a few more minutes to answer some questions about your medical history and lifestyle. You could also get a lower premium.
- As long as premiums are up to date and you answer all the application questions truthfully and completely, your claim is guaranteed to be paid except for suicide during the first 13 months of cover (subject to any exclusions you agree to before your policy starts).
- 25% discount on the premium for the portion of cover above \$500,000 and 30% for the portion of cover above \$1,000,000.
- Get one month free when you pay your premiums annually over the phone.

About premiums and affordability

Premiums are based on the type and level of your cover, gender, age and whether you smoke. Premiums generally increase each year on the anniversary of the commencement of your policy. To get a quote go to virginmoney.com.au or call us on 13 61 62.

Indexation

Unless otherwise requested, your benefit amount will increase each year up to age 70, in line with the change in the Consumer Price Index (CPI) or by 5%, whichever is greater. Your premiums will also increase depending on your personal circumstances.

Premium Freeze

You have the option to “freeze” your premiums at any time. This will lock in your premiums at an amount of your choice. Your level of cover will reduce each year to the amount applicable for the premium you’re paying. You can turn the premium freeze option on and off to suit your needs by calling us on 13 61 62.

Payment Frequency and Discounts

Premiums can be paid fortnightly, monthly or annually. If you pay your premiums annually you’ll get a discount – you’ll pay 11 months’ premiums instead of 12. If two lives are insured on the same policy, the second life insured will get a \$3.50 discount per month.

Premiums must be paid within 30 days of the due date. Of course, if you stop paying your premiums for any reason, your cover will cease. Virgin Life Insurance has no cash value, so if you cancel after the first 30 days you will not get anything back.

Taxation

Generally, the premiums you pay will not be tax deductible and generally benefits received by you will not be assessable for income tax purposes. This taxation information is based on the continuation of present laws and their current interpretation and is a general statement only.

Premium Increases

The underlying premium rates are not guaranteed, but once your cover has started, you will never be singled out for a premium rate increase, and any increase will be applied to all policyholders to whom the same premium rate table applies, with 30 days written notice.

When is a benefit not payable?

In addition to this PDS, we encourage you to carefully read your policy documents and share information about exclusions with family and beneficiaries.

Quick & Easy option

During the first five years following benefit commencement, reinstatement or any increase you apply for, no benefit is payable on the terminal illness or death of a life insured if either is the direct or indirect result of:

- Suicide or an intentional self-injury;
- A Pre Existing Medical Condition.

And no benefit is payable at any time due to:

- A dangerous occupation or pastime; or
- Criminal activities.

Tailored option

No benefit is payable on the terminal illness or death of a life insured if either is the direct or indirect result of suicide or an intentional self-injury within the first 13 months following benefit commencement, reinstatement or any increase you apply for. Additional exclusions may apply depending on your answers to the questions asked. These will be agreed with you before your policy starts.

A Pre Existing Medical Condition means an injury, illness, disease, disorder or condition for which in the previous five years symptoms existed that caused the life insured to seek diagnosis, advice, care or treatment from a medical practitioner or health professional.

The following are deemed to be pre-existing conditions for any stroke, haemorrhage or heart-related death in respect of the life insured if they occurred in the previous five years:

- Body Mass Index of 40 or higher;
- Systolic blood pressure having exceeded 160 mmHg and diastolic blood pressure having exceeded 100 mmHg;
- Total blood cholesterol having exceeded 7.0 mmol/L;
- Being a diabetic with any one of the following: proteinuria, kidney disease, retinopathy, neuropathy or admittance to hospital for treatment of diabetes.

If a claim is denied because of a Pre Existing Medical Condition, all the premiums paid for the life insured's Quick & Easy option will be refunded.

Dangerous Occupation or Pastime means engaging in work or a lifestyle activity that involves explosives, weapons, heights above 20m, depths below 30m or speeds above 130km per hour, other than as a fare-paying passenger on a commercial airline.

Claims

We should be advised of the death or terminal illness of the life insured as soon as possible. Please call us on 13 61 62 and we will send out any forms which need to be completed and let you know of any other claim requirements.

Virgin Life Insurance provides a fast cash payout of \$10,000 on approval of a claim, to help your loved ones with legal expenses.

When does cover start and end?

In many cases you can be covered in a few minutes with Virgin Life Insurance. The official start (commencement) date will be listed in your policy. You have 30 days following the receipt of your policy to check that Virgin Life Insurance is right for you. If you're not satisfied you can cancel the policy by sending a written cancellation request to us and we will refund any premiums you have paid.

Cover ends on the earlier of:

- the policy anniversary following the life insured's 80th birthday or earlier if stated in your policy;
- the date the policy is cancelled by you or us;
- the policy lapsing due to your premium not being paid;
- the full payment of the cover amount being made by us.

Privacy

Virgin Money and TAL are committed to achieving the highest standards in the protection of your privacy and in the handling of your personal and sensitive information. If you would like a full copy of the privacy policies for Virgin Money and/or TAL, please telephone the contact number below or download a copy from the websites:

Virgin Money virginmoney.com.au

TAL tal.com.au

Telephone: 13 61 62

Information relating to your right to privacy is available at the website of the Officer of the Privacy Commissioner at:

www.privacy.gov.au

Complaints

If you're not happy, neither are we. If you have any questions or complaints about Virgin Life Insurance or your specific policy please contact the Complaints Manager at TAL.

Call 13 61 62

Email expert@virginlifeinsurance.com.au

Write Virgin Life Insurance
PO Box 72
Carlton South VIC 3053

After a complaint is lodged

We'll do our best to resolve things and provide a written response within 45 days. If the matter is taking longer than expected to investigate, we may ask for more time.

It's your right to take it further after this time if you're not 100% satisfied. The Financial Ombudsman Service—fos.org.au—fairly and independently resolves disputes between consumers and financial services providers. To use FOS, you must have tried to resolve your complaint with us first. FOS provides a national service that is free to consumers.

Call 1300 78 08 08

Email info@fos.org.au

Write Financial Ombudsman Office
GPO Box 3
Melbourne VIC 3001

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