



## Insurance Duty of Disclosure

**IMPORTANT NOTE: You should read below carefully before signing. If you are unsure about anything, please ask me.**

Before you enter into a contract of insurance with an insurer, you have a duty under the Insurance Contracts Act 1984 (Cth) to disclose to the insurer every matter that you know or could reasonably be expected to know, is relevant to the insurers decision whether to accept the risk of insurance and, if so, on what terms. You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of insurance. Your duty, however, does not require disclosure of a matter that:

- That diminishes the risk to be undertaken by us
- That is of common knowledge
- That your insurer knows, or in the ordinary course of business, ought to know or
- As to which compliance with your duty is waived by the insurer.

Your duty of disclosure continues until the contract of life insurance has been accepted and the policy has been issued by the insurer. Please make sure you answer all applicable questions completely and truthfully.

## Non-Disclosure

If you do not disclose to your insurer every matter that you know or could reasonably be expected to know, that would be relevant to the insurers decision whether to accept the risk of the insurance and if so, on what terms, your insurer may avoid the contract, or avoid your cover within three years of entering into it, provided that your insurer would not have entered into that contract or accepted cover for you had full disclosure been made.

Were the insurer is entitled to avoid a contract of life insurance, the insurer may elect not to avoid it but apply either of the following options.

- Reduce the sum that you would 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; or
- Vary the contract in such a way as to places the insurer in a position that the insurer would have been had you disclosed all relevant matters or not made misrepresentation.

Where your contract is in respect of death cover, the insurer may only apply the first of the two options and we must do so within three years of you entering into the contract or us providing cover to you.