

# Account Cover Plus Insurance

## Combined Financial Services Guide and Product Disclosure Statement

Prepared on 30 September 2009



Safe and sound - tailored insurance for  
your Coles Group Source™ MasterCard®

## **Account Cover Plus**

Provided by Hallmark General Insurance Company Ltd.  
ABN 82 008 477 647 AFSL 243478  
and Hallmark Life Insurance Company Ltd.  
ABN 87 008 446 884 AFSL 243469,  
both trading as GE Money.

GPO Box 1571  
Sydney NSW 1025

# Contents

<b>Financial Services Guide</b>	2
<b>Product Disclosure Statement</b>	5
Our contact details	5
Policy summary	5
How much does it cost?	16
How to apply	16
Cancelling the policy	16
If you have a complaint	16
Privacy Notice and Consent	17

# Financial Services Guide (FSG)

## About this FSG

This FSG has been designed to help you to decide whether to use any of the financial services offered in it. This FSG contains information about:

- how we and other relevant persons are remunerated in relation to those services; and
- how complaints are dealt with.

## About us

This FSG is given on behalf of:

- Hallmark General;
- GE Capital Finance Australia ABN 42 008 583 588 AR 260525 (**GECFA**) which is the credit provider for your Coles Group Source™ MasterCard® and an authorised representative of Hallmark General;
- Telnet Services Limited ABN 69 388 623 393, AR 334243 (**Telnet**), an authorised representative of Hallmark General; and
- each Telnet telephone operator who has been appointed as an authorised representative of Hallmark General (**Telnet Representatives**).

Hallmark General, Hallmark Life and GECFA are all members of the GE group of companies and all trade as GE Money.

Our contact details are set out on page 5.

Hallmark General and GECFA are authorised to do the following in relation to the covers included in the Account Cover Plus policy:

- issue, vary or dispose of a financial product and arrange for each of these; and
- provide general financial product advice.

Hallmark General enters into contracts for Life Cover, Accidental Death Cover, Critical Illness Cover, Disability Cover and Involuntary Unemployment Cover on behalf of Hallmark Life, under a binder. A binder authorises a person to issue an insurance policy as though they were the insurer.

Hallmark General and GECFA provide general financial product advice on behalf of Hallmark General as licensee in relation to GE Money insurance products.

They provide the other financial services set out above on behalf of Hallmark General and Hallmark Life as the insurers of the relevant covers and Hallmark General as licensee.

## **Telnet**

Telnet and each of the Telnet Representatives are authorised to:

- deal in; and
- provide general financial product advice only in relation to general insurance products and life risk insurance products (**GE Money insurance products**) that Hallmark General makes available to persons who have credit cards issued in Australia by GE companies (**GE Money customers**).

They arrange for the issue of GE Money insurance products on behalf of Hallmark General and Hallmark Life, as the insurers of the relevant products, and Hallmark General as licensee.

They also provide general financial product advice on behalf of Hallmark General as licensee in relation to GE Money insurance products. Telnet provides call centre services to Hallmark General. The Telnet Representative's role is to:

- telephone GE Money customers;
- explain the significant benefits of GE Money insurance products to GE Money customers; and
- take applications for GE Money insurance products from GE Money customers who wish to buy them.

## **Our compensation arrangements**

The Australian Prudential Regulation Authority (APRA) supervises the financial obligations Hallmark General and Hallmark Life have to their customers including arrangements for compensating retail clients for losses that they may suffer as a result of Hallmark General, Hallmark Life or their representatives breaching Chapter 7 of the Corporations Act. On this basis, Hallmark General and Hallmark Life are exempt from the requirements for compensation arrangements under s912B of that Act.

## Remuneration and other benefits

### Hallmark General

Hallmark General is paid monthly, on an 'at cost' basis, for providing support services to Hallmark Life, eg each month Hallmark Life pays Hallmark General a share of the office rent as it falls due.

### GECFA

GECFA is paid a commission of 20% of the premium, before government charges.

### Telnet

Hallmark General pays Telnet the following fees:

- a set-up fee to operate the call centre program;
- a fixed hourly fee for calls made by Telnet employees; and
- remuneration fees may be payable to Telnet from time to time for administrative, training, new campaign and ancillary costs.

### Employees

Employees of GE companies are paid a salary. Some employees are also eligible for a commission payment on the sale of an insurance policy. Some GE employees are eligible for monthly or annual performance bonuses that are based on the amount of insurance sold.

## If you have a complaint

Details of our dispute resolution procedures are set out on page 16.

**Hallmark General has authorised the distribution of this FSG.**

Please call 1800 800 230 if you:

- Do not want to receive further marketing materials like this; or
- Would like to register on our No Contact /No Call register – which means that we will not telephone you to offer insurance products except at your request; or
- Want to tell us how often and at what times we can telephone you to offer insurance products.

# Product Disclosure Statement (PDS)

## About this PDS

This PDS contains information about the Account Cover Plus policy. This is **optional insurance** that is available to Coles Group Source™ MasterCard® accountholders. The PDS is designed to help you to decide whether to buy the policy. You should read and consider the information in this PDS carefully to understand the extent of the cover provided by the policy, and its limitations, before you decide to buy it.

## Our contact details

You can contact us and give us instructions by:

- telephoning 1800 800 230 during business hours (8.30am to 5.00pm Sydney time) Monday to Friday;
- writing to GE Money at GPO Box 1571, Sydney NSW 1025; or
- sending a fax to (02) 8249 3885.

## Policy summary

The Account Cover Plus policy is available if you:

- have a Coles Group Source™ MasterCard® account;
- are not in default of the credit contract for the account;
- are aged 18 years or over and less than 84 years when the policy starts; and
- are a resident of Australia.

Subject to eligibility and the terms of the Policy Wording (a copy of which is available on request), Account Cover Plus:

- pays the cost of a purchase on your account which is later lost, stolen or damaged (**Merchandise Protection Cover**);
- pays the amount by which a purchase on your account is later reduced in price (**Price Protection Cover**);
- pays out your outstanding balance on your account if you:
  - die (**Life Cover**);
  - die as a result of an accident (**Accidental Death Cover**);
  - are diagnosed with, or are operated on for, a critical illness (**Critical Illness Cover**);
  - become totally and permanently disabled as a result of sickness or injury (**Total and Permanent Disablement Cover**); or
  - suffer loss of a limb, loss of sight in both eyes or loss of hearing or speech as a result of an accident (**Accidental Bodily Injury Cover**);

- pays your monthly payments on your account if you:
  - become disabled as a result of sickness or injury (**Disability Cover**); or
  - become involuntarily unemployed (**Involuntary Unemployment Cover**); or
  - are hospitalised as a result of sickness or injury (**Extra Care Cover**).

Hallmark General is the insurer for Merchandise Protection Cover, Price Protection Cover, Total and Permanent Disablement Cover, Accidental Bodily Injury Cover, Disability Cover, Involuntary Unemployment Cover and Extra Care Cover.

Hallmark Life is the insurer for Life Cover, Accidental Death Cover and Critical Illness Cover.

The following table shows the covers for which you are eligible, according to your age.

<b>18 to 64 years inclusive</b>
Merchandise Protection Cover Price Protection Cover Life Cover Critical Illness Cover Total and Permanent Disablement Cover Disability Cover Involuntary Unemployment Cover
<b>65 to 69 years inclusive</b>
Merchandise Protection Cover Price Protection Cover Accidental Death Cover Accidental Bodily Injury Cover Extra Care Cover
<b>70 to 84 years inclusive</b>
Merchandise Protection Cover Price Protection Cover Accidental Death Cover Accidental Bodily Injury Cover

The maximum we will pay for all benefits under Account Cover Plus is \$20,000 in the aggregate.

All benefits under Account Cover Plus are paid directly to your account, not to you. This includes Merchandise Protection and Price Protection benefits even though your account may have a zero balance when the benefit is paid.

The table on the next page gives more details about the covers.

The following table gives more details about the covers. The full details are

Cover	Age eligibility	Benefits
<b>Merchandise Protection Cover</b>	18 to 84 years inclusive	<p>If you purchase an item for \$10 or more in Australia using your card, and the item is lost, stolen or damaged in Australia within 120 days of its purchase, we will at our option:</p> <ul style="list-style-type: none"> <li>• pay the original purchase price</li> <li>• repair or replace the item, or</li> <li>• pay the cost of repair or replacement.</li> </ul> <p>Some items are not covered (see pages 14 and 15).</p> <p>Full details are found in the Policy Wording.</p>
<b>Price Protection Cover</b>	18 to 84 years inclusive	<p>If you purchase an item in Australia using your card and within 24 months the item is reduced in price by \$10 or more, in the same store or in another store of the same name, we will pay the difference between the purchase price and the reduced price.</p> <p>This cover also applies if you purchase the item from a mail or telephone order catalogue sent from within Australia and within 24 months, the item is reduced by \$10 or more in another mail or telephone order catalogue of the same seller.</p> <p>Some items are not covered (see pages 14 and 15).</p> <p>Full details are found in the Policy Wording.</p>
<b>Life Cover</b>	18 to 64 years inclusive	<p>If you die, we will pay the outstanding balance on your account at the date of your death.</p> <p>Some circumstances are not covered (see pages 14 and 15).</p> <p>Full details are found in the Policy Wording.</p>
<b>Accidental Death Cover</b>	65 to 84 years inclusive	<p>If you die as a result of an accident, we will pay the outstanding balance on your account at the date of your death.</p> <p>Some circumstances are not covered (see pages 14 and 15).</p> <p>Full details are found in the Policy Wording.</p>

in the policy wording.

Benefit limits
<p>We will pay up to a maximum of \$1,000 for each item and \$4,000 for each event or series of events. In any 12 month period we will pay up to a maximum of \$8,000 for all items.</p> <p><b>Example:</b> You purchase an eligible item for \$1,200 and within the next few days it is accidentally damaged beyond repair. We pay \$1,000 (because the limit per item is \$1,000).</p>
<p>We will pay up to a maximum of \$600 for each item. In any 12 month period we will pay up to a maximum of \$2,000 for all items.</p> <p><b>Example:</b> You purchase an eligible item for \$600 and 2 days later you see it at a reduced price of \$400. We pay \$200.</p>
<p>We will pay up to a maximum of \$20,000.</p> <p><b>Example:</b> Your outstanding balance at the date of your death is \$10,000. We pay \$10,000.</p>
<p>We will pay up to a maximum of \$20,000.</p> <p><b>Example:</b> Your outstanding balance at the date of your accidental death is \$10,000. We pay \$10,000.</p>

Cover	Age eligibility	Benefits
<b>Critical Illness Cover</b>	18 to 64 years inclusive	<p>If you are diagnosed with, or are operated on for, a critical illness, we will pay the outstanding balance on your account at the date of diagnosis or operation.</p> <p>The following are critical illnesses for the purposes of this cover:</p> <ul style="list-style-type: none"> <li>• heart attack</li> <li>• stroke</li> <li>• major organ transplant</li> <li>• kidney failure</li> <li>• coronary artery disease requiring surgery, and</li> <li>• cancer</li> </ul> <p>Some circumstances are not covered (see pages 14 and 15).</p> <p>Full details are found in the Policy Wording.</p>
<b>Total and Permanent Disablement Cover</b>	18 to 64 years inclusive	<p>If you become totally and permanently disabled as a result of sickness or injury, we will pay the outstanding balance on your account at the date you became totally and permanently disabled.</p> <p>Some circumstances are not covered (see pages 14 and 15).</p> <p>Full details are found in the Policy Wording.</p>
<b>Accidental Bodily Injury Cover</b>	65 to 84 years inclusive	<p>If you suffer the loss of a limb, loss of hearing, loss of sight in both eyes or loss of speech as a result of an accident, we will pay the outstanding balance on your account at the date you suffered that loss.</p> <p>Some circumstances are not covered (see pages 14 and 15).</p> <p>Full details are found in the Policy Wording.</p>
<b>Disability Cover</b>	18 to 64 years inclusive	<p>If you have been working for at least 16 hours per week for at least 6 consecutive months and you become disabled as a result of sickness or injury, after 30 days of being disabled we will pay a monthly benefit until you cease to be disabled, return to any gainful occupation or until the policy ends (whichever occurs first).</p> <p>The monthly benefit will be 5% of the closing balance for the statement period immediately prior to the date when you became disabled but not less than \$30 per month and no greater than \$600 per month.</p> <p>The monthly benefit is calculated on a daily basis (1/30th) for each day of disability.</p> <p>Some circumstances are not covered (see pages 14 and 15).</p> <p>Full details are found in the Policy Wording.</p>

## Benefit limits

We will pay up to a maximum of \$20,000.

**Example:** Your outstanding balance at the date of diagnosis of the critical illness is \$10,000. We pay \$10,000.

We will pay up to a maximum of \$20,000.

**Example:** You are off work for 6 months through injury and at the end of that period you will never be able to work in any occupation which you otherwise would be reasonably capable of performing. At that time the outstanding balance is \$10,000. We pay \$10,000.

We will pay up to a maximum of \$20,000.

**Example:** Your outstanding balance at the date you lose your hearing is \$10,000. We pay \$10,000.

For any one period of disability we will pay up to the lesser of:

- the closing balance for the statement period immediately prior to the date when you became disabled; or
- 36 monthly payments.

We will pay up to an aggregate limit of 36 monthly payments for all Disability and Involuntary Unemployment claims.

**Example 1:** You are disabled for 10 days. We pay nothing (because you are not disabled for more than 30 days).

**Example 2:** You are disabled for 10 months and your monthly benefit is calculated as \$200. We pay \$2,000.

**Example 3:** You are disabled for 10 months and your monthly benefit is calculated as \$700. We pay \$6,000 (ie maximum monthly benefit of \$600 applies).

**Example 4:** You are disabled for 40 months and your monthly benefit is calculated as \$100. We pay \$3,600 (ie maximum of 36 monthly benefits applies).

Cover	Age eligibility	Benefits
<b>Involuntary Unemployment Cover</b>	18 to 64 years inclusive	<p>If you have been working for at least 16 hours per week for at least 6 consecutive months and you involuntarily become unemployed, after 30 days of unemployment we will pay a monthly benefit until you return to work or any gainful occupation, or until the policy ends (whichever occurs first).</p> <p>The monthly benefit will be 5% of the closing balance for the statement period immediately prior to the date when you became involuntarily unemployed but not less than \$30 per month and no greater than \$600 per month.</p> <p>The monthly benefit is calculated on a daily basis (1/30th) for each day of involuntary unemployment.</p> <p>After each claim you must return to work for at least 6 consecutive months to be eligible for any further claim.</p> <p>Some circumstances are not covered (see pages 14 and 15).</p> <p>Full details are found in the Policy Wording.</p>
<b>Extra Care Cover</b>	65 to 69 years inclusive	<p>If you are hospitalised as a result of sickness or injury, after a 30 day qualifying period we will pay a monthly benefit until you are discharged from hospital or the policy ends (whichever occurs first).</p> <p>The monthly benefit will be 5% of the closing balance for the statement period immediately prior to the date when you became hospitalised but not less than \$30 per month and no greater than \$600 per month.</p> <p>The monthly benefit is calculated on a daily basis (1/30th) for each day of hospitalisation.</p> <p>Some circumstances are not covered (see pages 14 and 15).</p> <p>Full details are found in the Policy Wording.</p>

## Benefit limits

For any one period of involuntary unemployment we will pay up to the lesser of:

- the closing balance for the statement period immediately prior to the date when you became unemployed; or
- 12 monthly payments.

We will pay up to an aggregate limit of 36 monthly payments for all Disability and Involuntary Unemployment claims.

**Example 1:** You are unemployed for 10 days. We pay nothing (because you are not unemployed for more than 30 days).

**Example 2:** You are unemployed for 10 months and your monthly benefit is calculated as \$200. We pay \$2,000.

**Example 3:** You are unemployed for 10 months and your monthly benefit is calculated as \$700. We pay \$6,000 (ie maximum monthly benefit of \$600 applies).

**Example 4:** You are unemployed for 15 months and your monthly benefit is calculated as \$100. We pay \$1,200 (ie maximum of 12 monthly benefits applies).

For any one period of hospitalisation we will pay up to the lesser of:

- the closing balance for the statement period immediately prior to the date when you were hospitalised; or
- 12 monthly payments.

We will pay up to an aggregate limit of 12 monthly payments for all Extra Care claims.

**Example 1:** You are hospitalised for 10 days. We pay nothing (because you are not hospitalised for more than 30 days).

**Example 2:** You are hospitalised for 10 months and your monthly benefit is calculated as \$200. We pay \$2,000.

**Example 3:** You are hospitalised for 10 months and your monthly benefit is calculated as \$700. We pay \$6,000 (ie maximum monthly benefit of \$600 applies).

**Example 4:** You are hospitalised for 15 months and your monthly benefit is calculated as \$100. We pay \$1,200 (ie maximum of 12 monthly benefits applies).

## **Some things that are not covered**

- Under both Merchandise Protection and Price Protection Cover the following items are not covered:
  - jewellery;
  - furs;
  - precious metals and precious stones;
  - cash or its equivalent (including gift vouchers, travellers cheques, tickets, cheques, postal orders and other negotiable instruments);
  - perishable goods, groceries, foodstuffs, beverages (both alcoholic and non-alcoholic) and other household consumables;
  - used or second hand goods;
  - animals or living plants;
- Under Merchandise Protection only, the following are not covered:
  - any item where the purchase price is less than \$10;
  - mobile phones and their accessories;
  - watches;
  - cameras, camcorders and their accessories;
  - mail order items delivered by courier or freight, while they are in transit;
  - motor vehicles, motor cycles, private leisure craft, tents, caravans (including any accessories fitted to these);
  - contact lenses, or other optical or medical products;
- Under Price Protection only, the following items are not covered:
  - one-of-a-kind items;
  - special order items or tailor made items;
  - items offered during a 'limited quantity', 'going out of business', 'closing down' or similar sale;
  - items sold as floor display discounts, imperfect, seconds or damaged items;
  - any price reduction that is:
    - less than \$10;
    - due to price matching or is conditional on a cash payment;  
or
    - offered as part of a special deal involving other items or benefits;
- Under Life, Accidental Death, Critical Illness, Total and Permanent Disablement, Accidental Bodily Injury, Disability and Extra Care Cover – any claim that is in any way connected with a disability that is a result of sickness or injury for which you have had symptoms, advice or treatment from a medical practitioner within the 12 months before the policy began and you require treatment for the same condition within the 12 months after the policy began;
- Under Critical Illness Cover – any critical illness that you are diagnosed with, or operated on for, within 90 days after the policy starts;

- Under Disability, Involuntary Unemployment and Extra Care Cover – any disability, involuntary unemployment or hospitalisation that:
  - occurs in the first 30 days after the policy starts; or
  - is less than 30 consecutive days in duration;
- Under Involuntary Unemployment Cover – any unemployment where:
  - you are working under a contract, work seasonally or for a specified task or period and your employment ceases at the end of the contract, season, task or period;
  - you became aware of your impending unemployment before the policy started;
  - you resign, accept voluntary redundancy, early retirement or you abandon your employment;
  - you become unemployed due to sickness or injury; or
  - you are self-employed and your business temporarily stops trading;
- Under Disability Cover, any disability that is claimed for when you are already receiving a monthly benefit for Involuntary Unemployment;
- Under Involuntary Unemployment Cover, any involuntary unemployment that is claimed for when you are already receiving a monthly benefit for Disability;
- Under Extra Care Cover – any hospitalisation for any medical operations or treatments that are not medically necessary, such as cosmetic or beauty treatment.

There are some other things that are not covered. Full details are in the Policy Wording.

### **When does the policy start and end?**

The policy starts on the date shown on the letter we send you confirming that you have Account Cover Plus, unless we tell you that it starts on an earlier date.

The policy ends and we stop paying when the first of the following events occurs:

- the credit contract for your account ends;
- we pay the maximum policy benefit of \$20,000;
- we pay an aggregate total of 36 monthly benefits for all Disability and Involuntary Unemployment claims;
- the policy is cancelled by you or us;
- you reach the age of 85 years;
- you become bankrupt or enter into an arrangement with your creditors under the Bankruptcy Act 1966 (Cth);
- you cease to be an Australian resident.

### **About consumer credit insurance generally**

The covers under Account Cover Plus (other than Merchandise Protection and Price Protection Cover) are forms of consumer credit insurance. Consumer credit insurance is insurance that does any one or more of the following:

- pays out your loan if you die, or if you are diagnosed with or operated on for a critical illness; or
- pays your monthly loan repayments if you cannot work due to injury or illness, or involuntary unemployment.

You can arrange consumer credit insurance with an insurer of your choice.

## How much does it cost?

Account Cover Plus costs 1.0% of the monthly closing balance of your card account.

<b>Your monthly closing balance</b>	<b>How much you pay that month</b>
nil	nil
\$200	\$2
\$400	\$4
\$600	\$6
\$800	\$8
\$1,000	\$10

## How to apply

To apply for Account Cover Plus Insurance, just telephone 1800 800 230 and ask for Account Cover Plus Insurance.

When you apply for Account Cover Plus Insurance you are required to be truthful.

## Cancelling the policy

### During the cooling-off period

If you change your mind within 30 days after you receive the policy, you can cancel the policy and obtain a full premium refund without charge by telephoning 1800 800 230 or writing to us. We will pay any premium refund directly to your card account.

### After the cooling-off period

You can also cancel the policy at any time after the cooling-off period by telephoning 1800 800 230 or writing to us and we will stop charging the monthly premium to your account. The cancellation will take effect from the end of the statement period for your account during which we received your cancellation request.

## If you have a complaint

If you have a complaint, please contact us first. We have an internal dispute resolution procedure which you can access by telephoning 1800 800 230 or by writing to GE Money at GPO Box 1571, Sydney NSW 1025.

If your complaint is not resolved in this way, you can contact the following independent and impartial body that provides a free external dispute resolution service:

### Financial Ombudsman Service

GPO Box 3

Melbourne VIC 3001

Telephone: 1300 78 08 08

Fax: (03) 9613 6399

Email: [info@fos.org.au](mailto:info@fos.org.au)

[www.fos.org.au](http://www.fos.org.au)

We have a brochure 'Do you have a complaint relating to insurance?' which contains further details of these procedures. A copy is available on request.

Hallmark General follows the General Insurance Code of Practice which is on the Insurance Council of Australia's website at [www.ica.com.au](http://www.ica.com.au)

## Privacy notice and consent

Hallmark Life, Hallmark General and other GE companies (**we**) collect personal information about you:

- to provide and manage products and services;
- to develop new products and services;
- to perform administrative tasks and manage business operations;
- for planning and product development and research;
- for fraud and crime prevention and investigation;
- to handle insurance claims; and
- to comply with legislative and regulatory requirements.

We may also use your personal information to tell you about products and services of GE companies and other offers from third parties that may be of interest to you.

Without your personal information we cannot issue an insurance policy to you.

We disclose your personal information as necessary to third parties for the uses set out above. Those third parties may include other GE companies (both in Australia and overseas), contractors, agents, medical practitioners, delivery companies, mail houses, call centres, debt collection agencies, claims handlers, data analysts and professional advisers. We limit the use and disclosure of any personal information we give those parties to the specific purpose for which we give it.

We will not disclose your personal information to a third party located overseas unless there are arrangements in place to protect your personal information.

*By applying for insurance through us you consent to us collecting, using and disclosing personal information about you in the ways set out above.*

*You can always opt out of us using personal information we hold about you to tell you about products and services by telephoning 1300 134 508 or writing to GE Money at 572 Swan Street, Richmond VIC 3121. You can have access to personal information we hold about you (subject to the Privacy Act 1988) by using these same contact details.*

Call us on  
1800 800 230  
or visit us at  
[www.gemoney.com.au/insurance](http://www.gemoney.com.au/insurance)

GPO Box 1571  
Sydney NSW 1025  
Fax (02) 8249 3885